BRITISH INDIA
ANALYZED.

THE
PROVINCIAL AND REVENUE
ESTABLISHMENTS
OF
TIPPOO SULTAUN
AND OF
MAHOMEDAN AND BRITISH
CONQUERORS in HINDOSTAN,
STATED AND CONSIDERED.
IN THREE PARTS.

PART II.

Invitus ea, tanquam vulnera attingo, ſed niſi tacta tractataque ſanari non poſſunt. Liv. lib. 28.

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BRITISH INDIA.

PART II.

PROVINCIAL AND REVENUE

ESTABLISHMENTS

OF

BRITISH CONQUERORS.

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PART II.

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ERRATA.

Page 329, line 4, for *rans* read *runs*.
337, — 19, after *period* insert *of the production*.
342, — 3, for *this* read *the production of*.
344, — 14, for *MH* read *MR*.
347, note, after *page* add 135.
442, line 4 from bottom, for *Nizam* read *Nazim*.
463, — 4, for *Ali* read *Reza*.
581, — 1, for *pecular* read *peculiar*.
—, — 18, for *have* read *has*.
583, — 1, for *were* read *was*.
—, — 15, for 1787 read 1785.

THE

PROVINCIAL ESTABLISHMENTS,

&c. &c.

CHAP. I.

The Principle of the Company's Government at the Period of the Acquiſition of the Dewanee.

LORD CLIVE ſtated his opinion of the nature of this government on a minute, dated October 28, 1765*. "As I am not a very young ſervant of the Company, and have been twice honoured with the Preſidentſhip of this ſettlement, *(Calcutta)* I think I may, without vanity, preſume, that my knowledge is not in-

* Appendix to Bolt's Conſideration of India, p. 75.

ferior to Mr. *** on the power and duties of a Governor.

" The respect I have for the laws of my country will always prevent my exercising a military force to apprehend any *British* subject, unless in cases of a very heinous nature, and when the offender might otherwise escape from the justice of a civil power, to whom he must of course be given up.

" But with regard to the natives of *India* I cannot consider them as British subjects; and the Court of Directors has cautioned us against putting our laws in execution on them. Were we to consider them as *British* subjects, our *political* government would be at an end; the power of the Governor and Council would be transferred to the Mayor's Court, and with it the whole authority of the Company, as if the charter for the establishment of that Court had been obtained, to make the Mayor and Aldermen masters over the Company. Besides, were the natives within our districts to be, on every occasion,

proſecuted by the laws of our country, the Inns of Court would hardly be able to ſupply us with a ſufficient number of lawyers; and the objection would nevertheleſs remain, that, if the *Indians* will not of their own accord comply with the forms of the laws of *England*, we have no right to compel them; for what they have ſaid is true, that no Prince has power or authority over the ſubjects of another Prince, unleſs it be by reſiding in his dominions, or by voluntary conceſſions, conſent, &c.; and there are undoubtedly inſtances where the Company's ſervants could not juſtify themſelves, if they were to admit the natives to the benefit of our laws, even at their own requeſt.

" The Company's advantages and poſſeſſions in India are maintained by the civil, joined with the military, power: the adminiſtration of their ſettlements, ſo far as reſpects the ſubjects of *Great Britain*, is purely civil, except in ſuch caſes as come peculiarly under the cognizance of martial law; but the civil adminiſtration has a right to command the aſſiſtance of the mi-

litary in ſecuring offenders. This is allowed of by the laws of *England*, and is frequently practiſed, though the two powers there, are rather more diſtinct than in *India*: here the civil Governor has a commiſſion, as a commander in chief of the forces, and, as ſuch, has power in himſelf to exerciſe a military force in ſupport of the civil. This is an inſtitution founded on a very wiſe and evident reaſon, for as the Governor muſt always have the earlieſt intelligence of matters relating to his government, and of importance to the public intereſt, it is neceſſary he ſhould be inveſted with the power of providing inſtantly for the ſecurity of the ſtate; nor can that power be dangerous to the liberty of the ſubject, whoſe military diſcipline is regulated upon the model of civil adminiſtration.

"But we are not to imagine that criminal actions alone endanger our principle of government; it is endangered by *licentiouſneſs*, *extortion*, *venality*, by whatever *eludes*, though it may not totally ſubvert the laws: theſe, among numberleſs other

cafes, will fall immediately under the obfervation of a Governor, and it is his duty to endeavour to eradicate them with very exemplary feverity, when occafion demands it. If in the execution of his office he is guilty of oppreffion towards any of His Majefty's fubjects, an act of Parliament points out a legal mode of redrefs; if his oppreffion falls on a fubject, he is ftill amenable to juftice. In any trifling caufes, efpecially againft a Britifh fubject, a Governor will act merely as a Juftice of the Peace, but in cafes which affect the Company's affairs, in cafes of a villainous nature between man and man, particularly extortion, which too happens among the natives of this defpotic empire, whether fupported or not by us; in cafes where the temper, moderation, the juftice of the Company's government is concerned; in cafes of fuch a nature, I fay, a Governor will not only act as a Juftice of the Peace, but as Governor: he will not only, as a Magiftrate, commit to confinement, but will, if he judge neceffary, as Commander in Chief, affume his military power to prevent the offender's ef-

cape."—"A black man accused of a heinous crime, meditating an escape from justice, is confined to his house by a few sepoys, and upon this circumstance alone Mr. ***, like a true leader of party, thinks it incumbent on him to stand forth the champion of his injured country, declaims upon the *British* Constitution, civil rights, military force, arbitrary power, the liberty of the subject.—"I demand," says he, "that the guards be removed "from the houses of the inhabitants, that "not only I, but the whole settlement, "may in confidence and safety attend the "Company's and our own concerns." In a London newspaper such an harangue might serve to alarm weak minds, and draw recruits to the standard of faction, but on the face of our consultations, where truth and *facts* are conspicuous, it must appear a falsehood of the most dangerous tendency, calculated to answer the worst purposes—I therefore desire the following question may be put, &c.

(signed) CLIVE."

From the above minute we may know what was the Government at the period of the acquisition of the Dewannee, and we may alſo, on equal certainty, ſtate the principle and practice of the revenue ſyſtem at the ſame period.

The *principle* of the *Company's revenue ſyſtem*, applied to their territory, prior to, and at the period of, the acquiſition of the *Dewannee*, was a ſyſtematic deviation from the equity of the Moghul ſyſtem, as is fairly ſtated by Governor *Holwell* in the following extracts *:

" To form a juſt eſtimate of the value and importance of theſe provinces, we muſt conſider them at the period when they were governed by the younger Princes of the Blood Royal, and ſome years before *Jaffier Khan*'s *Soubahſhip*, for in his time they began to decline and decreaſe in their worth, from cauſes † already inveſtigated.

* Intereſting Hiſtorical Events, 2d edit. Vol. I. p. 178.
† Ibid. Vol. I. chap. 2.

" From his demiſe, the country for a few years recovered and began to flouriſh, until within two years of the deceaſe of *Sujah Khan*, when, by the rapacity of *Hodjee Hamet*, the *Rajahs* and *Zemindars* were again cruelly oppreſſed and plundered and were thereby diſabled from making good their contracts to Government; ſoon after that period commenced the uſurpation of *Aliverdi Khan*, that drew on the *Mahratta* invaſion, which overwhelmed the country in miſeries of every kind for eight years.

" The peace which the uſurper made with theſe invaders in 1750 ſeemed for four or five years to promiſe reſtoration of vigour to this haraſſed country; but its ſhattered conſtitution was ſcarcely beginning to revive, when the raſh conduct of the ſucceeding young tyrant reduced it again to imminent peril, a juſt vengeance and neceſſity drew the Engliſh arms againſt him and his country, which produced a revolution fatal to himſelf and family—neceſſity again produced a ſecond revolution—wantonneſs, a third—and when we

ſhall ſtop, time only will diſcloſe. A few individuals may benefit by this ſhifting ſyſtem; but the total ruin of the trade of the provinces, and to the Company, muſt manifeſtly, in the end, be the conſequence of this continued warfare, if not timely prevented, notwithſtanding the flattering, fallacious ſucceſs of our arms."—"The country is capable of being reſtored under a *proper* ſettled *government*, and laſting peace; warfare ſwallows up new-acquired revenue, turns the heads, and bewilders the Company's ſervants from attention to their mercantile buſineſs; and the Direction muſt labour under heavy embarraſſments in conducting the two branches of war and trade*—A trading and a fighting Company is a two-headed monſter in nature that cannot exiſt long, as the expence and inexperience of the latter, muſt exceed, confound, and deſtroy every profit or advantage gained by the former."—Let us boldly dare to be *Soubah ourſelves*, our own terms have been more than once offered to us by the Emperor; why ſhould

* Intereſt. Hiſtor. Events, Vol. I. page 180.

we longer hesitate to accept them?—we have not scrupled to seize and possess part of his territory with violence; surely it would be more conscientious, and more consistant with the laws of nature and nations, to hold the whole of these provinces under him by his own appointment.

" We cannot enough applaud the seasonable measure of sending out Lord Clive, which we esteem a happy event. I think the Public will not doubt this opinion to arise from a just regard to his Lordship's character, as they know we lie under no obligations to that quarter that might excite our partiality."

" To sum up the whole, we venture to stake our credit and veracity on the assertion, that the two provinces of Bengal and Bahar will fully yield a revenue of eleven crores of rupees, or £.13,750,000; if it yields this under a despotic, tyrannical government in time of peace, and currency of trade, what may we not more expect from its improvement under a mild British one*?"

* Interest. Histor. Events, p. 204.

Governor Holwell, in 1759, had convinced Lord Clive and the Board that his reasons for the public sale of the rents of the Company's lands by auction were unanswerable; and the sale was unanimously resolved on: he explained the whole to *John Payne*, Esq. the Chairman of the Board of Directors *.—" I had taken great pains to ferret out the real value of the lands, which was covered with almost impenetrable obscurity and difficulty. By an estimate I gave Colonel Clive at his return from the Patna expedition, I ventured to pronounce they would yield seven lacks and a half, and the total of their sale on the 13th July amounted to 7,65700 sicca rupees *per annum*, exclusive of several reserves in favour of the Company, such as a considerable tract of land taken from the *pergunnahs* adjoining Calcutta, to extend its bounds, and all the advantages resulting from holding the royalties and judicial proceedings, &c. in our own hands on the Company's account: so that I judge the whole produce of these lands (the before-

* Interest. Histor. Events, Vol. I. p. 230.

mentioned reſerves included) will be annually between nine and ten lacks, the ſum I gueſſed, when in conference with you in England on the ſubject.

" Methinks I hear you cry out, what the devil became of this difference laſt year? as it muſt have been collected, beyond a doubt; or from whence can this advance anſwer to the preſent farmers? The anſwer is eaſy and obvious; the difference fell ſhort in its way to the Company's treaſury, by the ſelf-ſame roads your former revenues were diſſipated, prior to the reform of your *Zemindary*. As your former *Zemindars* could not juſtly be deemed culpable in that caſe, from the frequent change of poſt, ſo in the preſent no blame properly falls on your collector, the truſt being too extenſive for any one man exiſting; and though frauds are equally obvious from the extraordinary increaſe at a public ſale, from farmers ſubject to every poſſible check and reſtraint that can either prevent their debaſing their lands or oppreſſing the tenants, yet there is a moral certainty or profit to him, at the expira-

tion of three years, and that they will then yield a farther increaſe to the Company.

" I will clear up a circumſtance that poſſibly may be cauſe of wonder to you; by what means I arrived at their real value.

" In the firſt place, I had long and full conviction that the ſame ſyſtem of fraud and chicane ran through every *Zemindary* of the provinces, and from a general knowledge of the country granted to us, it appeared to me aſtoniſhing they ſhould yield no more than was brought to the Company's credit, at the cloſe of the year in April 1758, when ſo ſmall a territory as *Calcutta* produced, on a ſcrutiny and reform, an increaſe of 73 to 80,000 ſicca rupees *per annum.* I tried various means to trace out a ſatisfactory reaſon, and to account to myſelf for it, but without ſucceſs, until I learnt by accident that three or four of the *old ſtandards*, employed as tax gatherers and writers in the *pergunnahs*, had been diſmiſſed at the inſtigation of the *new operators*: I ſent privately for one or

two of the moſt creditable of them, and inquired into the cauſe of their diſmiſſion; and this brought on an opening of the whole ſcene, and gave me a ſufficient foundation for forming my Letter of the 11th June, 1759*.

"Thus having made you maſter of the ſubject in as ſhort a detail as poſſible, I ſhall cloſe it with this remark, that the ſame chain of frauds runs through the whole empire, but more particularly in theſe provinces, to the heavy annual loſs of the Crown, a circumſtance which may, in a future, favourable conjuncture, be well worth conſideration; at preſent we have but to aſk and to have a more eaſy acquiſition of the *Soubahdary* than we have already obtained of the *Pergunnahs*, but the times (1759) are not yet ripe for ſo great a graſp, nor have we ſufficient ſtrength to hold it; though it is certain, were we *Soubahs* of the provinces, the Emperor

* Intereſting Hiſt. Events, Vol. I. to *C. Manningham*, Eſq. and Council, p. 226; and farther detail of the value of the *Pergunnahs* under different management, Vol. I. p. 216.

would receive more than double the revenues these provinces ever produced to him, and the East-India Company would become in a short time the richest body of subjects in the world*.

"On a candid and attentive perusal of my third chapter †, it will be obvious, from the whole tenor of it, that it is calculated to incite you to attempt the possession of this country in *trust for* the Emperor, and thereby put a period to a distructive and inadequate war: but can you imagine I excite you to this from the consideration of the worth of the provinces, according to the rates standing on the *King*'s books? no; it is from the consideration of their real *value* and *actual produce*, and the *farther consideration* of how much this *produce* would certainly be increased under an English *Soubah* ‡.

* Interesting Hist. Events, Vol. I. p. 231.
† *Ibid.* Vol. I. p. 177.
‡ *Ibid.* Vol. I. p. 211, supplementary letter to *H. C. Boulton*, Esq. *and the Directors*, December 1765.

"You have been told, gentlemen, that the revenues of Bengal are rated in the *King*'s books under three crores of ficca rupees; if it is faid the lands are fo rated; you have been told the truth; thefe only go into the Royal Treafury, and, to the beft of my remembrance, are rated two crores feventy-five or feventy-fix lacks, and fome odd, thoufands rupees. Ought this information, without looking farther, to be taken as a proof of my exaggeration? when my eftimate *expreffly includes the rents of the lands, and the revenues arifing from their produce*, which I have eftimated *conjunctly* at *eleven* crores, and now proceed to the proof*, refting it upon what thofe converfant in your affairs in India will admit to be an indifputable fact, that the lands throughout the provinces bear nearly a proportional value to each other."

I repeat then, and infift on my eftimate, that exclufive of the royalties, upon an obvious and fair calculation, the whole lands of the three provinces have never

* Statement of the value of the *Pergunnahs*, Intereft, Hift. Events, p. 216.

yielded lefs than 11 crores 40,000 ficca rupees *per annum*; and deducting for Oriffa 1 crore and a half, at which the lands and revenues of that province are ufually eftimated, there will remain nine crores and a half for Bengal and Bahar, to which annex the royalties, and they will more than make good the above deduction for Oriffa.

Though I have, in my general eftimate, confined myfelf to the confideration of the known and eftablifhed *rents* and *revenues* of the provinces, yet the *extra items fpecified above* no lefs conftitute a *part of their* value, and though thefe *items* have for a long courfe of years been concealed and embezzled from the government, that is no reafon why they may not *in future* be brought *to account* by a *Britifh Soubah* at the head of it, an event which I will ftill hope is not far diftant.

Governor Holwell concludes his Letter to the Directors, December, 1765*, "with

* Interefting Hift. Events, 2d edit. Vol. I. p. 220.

a few anecdotes relative to the lands and revenues of Bengal.

" The *rents* of the lands are the property of the Emperor, in consequence of which he has a royal *Dewan* in every *Soubahdary*, but there is always a good understanding between the *Dewan* and the *Soubah*; they never are at a loss in pretending reasons for the rents falling short, though the whole is strictly and fully collected: what is diverted from the royal treasury is divided between the *Dewan* and the *Soubah*, of which the latter always takes the lion's share.

" Though the amount of the rents on the King's books is near three crores a year, yet the highest stipulation made with the Emperor was one crore one lack one thousand one hundred and one rupees, by the *Soubah Soujah Khan*, and this was regularly remitted to the royal treasury until the usurpation of *Aliverdi*. He, on pretence of the distresses of the provinces, (to which distressed state he himself had brought them) made a new stipulation of

fifty-two lacks *per annum*, to which he paid no regard longer than the Vizier *Monſoor Ali Khan*'s army was within a few days march of Patna, A. D. 1750; nor has the royal treaſury benefited a rupee from theſe provinces ſince that period.

"The eſtabliſhed ground rent is three ſicca rupees per *Begah* *, about one third of an Engliſh acre, throughout the empire; but *Alīverdi Khan* made the firſt innovation in this eſtabliſhed law, and aſſeſſed the land *four annas* ſicca, or a quarter of a rupee, upon each *Begah*, on pretence of the *Chout* paid to the *Mahrattas*, and raiſed the rents of the *Rajahs* and *Zemindars* in that proportion; theſe had no other means of reimburſing themſelves but by levying it on the farmers, and they again on the tenants.

"Subſequently, the lands were, on various pretended exigencies, at different periods, aſſeſſed to ten ſixteenths of a rupee, though every additional tax on land above

* Reyutty.

three rupees *per annum* is contrary to the *ſtanding law* of the empire, which, until *Aliverdi*'s time, had been held ſacred and inviolable.

" In the year 1732, your Governor and Council had in agitation the *raiſing the rents of your own Zemindary of Calcutta*, which, being rumored abroad, they received a peremptory *Perwannah* from the *Soubah forbidding* them, in which the *Soubah* told them that they were preſuming to do a thing which he himſelf had not power to do, and that if they perſiſted they would, by *the laws of the empire*, *forfeit* their lands.

" Frauds throughout the empire in letting the lands are manifold: for inſtance, the *Rajah* and *Zemindars*, by private compact with the *Soubah*'s *officers*, who are charged with the management of this department, obtain more lands than by their *Sunnuds* (or grants which are commonly called *Pottahs*) appear, and conſequently pay no rent to the *King* for the ſurplus land. The ſame artifice is practiſed between the

Dewans of the *Rajahs* and *Zemindars*, and the *Izardars* or farmers, and the tenants *(Reyut)* or common *Pottah-holders* under them, by bribing the officers of the *Jummabundy* and thoſe entruſted with the *meaſurements* of the lands, that they may enjoy the benefit of the ſurplus land: and I may juſtly aver, there is not a tenant in *Hindoſtan* but poſſeſſes and occupies a greater quantity of land than his *Pottah* expreſſes, conſequently it is the *tenant (Reyut)* that ultimately enjoys the benefit of the ſurplus land, thus gained by corruption from the *Soubah*'s miniſters, while the King ſpecifically ſuffers in his rents. It extremely well anſwers the tenants *(Reyuts)* purpoſe to poſſeſs, if he can, by a ſmall bribe, more land than he pays for, becauſe himſelf and his heirs enjoy the profit of it for *perpetuity*; ſince, by a fundamental law of the empire, their *Pottahs* are *irrevocable* as long as they pay the rent rated in them reſpectively; and ſo *tender and indulgent are the laws of Hindoſtan in this* particular, that *no tenant forfeits his land before he has failed in his payments twelve*

months, though the land tax by the ſame laws is to be paid every three months.

" This method of ſecreting or purloining the land from the *King* and the *Soubah* has been practiſed time out of mind ; and it is quite in point to mention a flagrant inſtance that appeared in the year 1753, when, in conſequence of the general ſcrutiny made by *your order* in your *Zemindary* of *Calcutta*, it was demonſtrated that in your ſmall diſtrict, upon a favourable new *meaſurement* of your land, there were near 500 *Begahs* ſecreted in this way and fraudulently enjoyed by your tenants, for which you had received no ground rent from your being inveſted with the *Zemindary*, of this you may be convinced by turning to your *Jummabundy*, or regiſter of your lands, ſubſequently by *me* tranſmitted to you. As you, gentlemen, have by that meaſurement gained 500 *Begahs* of ground upon a poſſeſſion of 6,200, you may judge from thence what an aſtoniſhing additional revenue would ariſe to you, when *Soubah* of the provinces, from a *new though favourable* meaſurement of the whole lands.

When the revenues arising from the lands of this country are retained in the proprietor's hands, that is, not farmed out, one universal chain of roguery runs through the whole, as well as in the rents of the lands, and there is a fellow-feeling between every one employed in the collections, from the *Dewan* to the lowest *Moree* or writer, and this the *Rajahs* and *Zemindars*, the great proprietors of the land, are no more exempt from than the Company is, notwithstanding the utmost integrity of their covenanted servants: but I have so clearly traced and laid open the nature of those frauds, which are similar throughout the empire, in my state of the Company's revenues *Zemindary*, dated December 15, 1752, that I need not trouble you further on the subject than to refer you thereto."

In another part Governor Holwell * mentions an anecdote which recalls the attention of Great Britain to the *rights* of the natives of the Bengal provinces; that when the Hindoo *Rajahs*, or Princes of

* Interesting Hist. Events, Vol. I. p. 37.

Hindoſtan ſubmitted to Tamerlane, it was expreſsly ſtipulated that the Emperors ſhould never impoſe the *Jefferah*, or poll tax, upon the Hindoos.

But to bring forward an authoritative native voucher of the peculiar rights and cuſtoms of *Bengal* and *Bahar*, I ſhall, in this place, inſert extracts from the *Ayeen Akberry**:—In *the Soubah of Bengal* "the ſubjects are very obedient to Government, and pay their annual rents in eight months by inſtallments, themſelves bringing *Mohurs* and *Rupees* to the places appointed for the receipt of the revenues, it not being cuſtomary in this *Soubah* for the *Huſbandmen* and *Government* to divide the crops. Grain is always cheap, and the produce of the lands is determined by *Nuſſuk*: His Majeſty has had the goodneſs to confirm thoſe cuſtoms."—the term *Nuſſuk* is explained in the article relating to the duties of the Collector of Revenues, and connects the cuſtom of Bengal and Bàhar under the deſcription *Kunkaot*. "*Kun* in the Hin-

* Ayeen Akberry, Vol. II. p. 9.

dooee language signifies *grain*, and the meaning of *'Koot* is conjecture or estimate: the way is this, the land is *measured* with the crops standing, and which are estimated by inspection; those who are conversant in the business say, that the calculation can be made with the greatest exactness: if any doubt arise, they weigh the produce of any given quantity of land, consisting of equal proportions of good, middling, and bad, and form a comparative estimate therefrom *. " The *Nessuck* is the estimate of assets of revenue †"

The custom of *Bahar*. " It is not customary in *Bahar* to divide the crops; the *Husbandman* brings the rents himself, and when he makes his first payment he comes dressed in his best attire ‡.

This book being made up of extracts at length, as far as possible to enable every one to draw his own conclusions, it will

* Ayeen Akberry, Vol. I. p. 379.
† *Ibid.* p. 381.
‡ *Ibid.* Vol. II. p. 31.

be neceſſary to make ſome very ſhort obſervations to reſcue this period from haſty criticiſms of the ſuperficial reader.

Prior to the acquiſition of the *Dewannee*, the Company, in the management of their landed territory, did not feel a common intereſt in the rights of the natives, nor of the Moghul, nor in the conſequences of their trade on the general proſperity of the country. Governor *Holwell* and the Company only conſidered how much they could get in the ſcramble.

Lord *Clive*, with an ability and deciſion which marked his character, and a judicious uſe of the technical term *Dewan*, acquired an empire, and combined a complex government, capable of being thus kept together by power as abſolute as that of the Moghul, and by ability eminent as his own, until an avowed ſovereign could be held forth to reſcue the country from the inevitable abuſes of nominal ſovereignty. The minute above recited ſhews Lord *Clive* to be ſenſible of the difficulty and peril to which his ſyſtem was expoſed,

but he did wonders in grafping for Great Britain an empire which his abilities had brought within his reach.

Before we take leave of this period, to which, for the purpofes of good and permanent fyftem for Britifh India, we fhall often recur, more for inftruction than imitation, we muft remember the concurrent plans of France, and the ability of *Buffy*.

"The French appear to have been the firft European power that trained the natives of India to regular difcipline, as well as the firft who fet the example of acquiring territorial poffeffions, of any great extent, in India*, in which they have been fo fuccefsfully followed by the Englifh." In another part of his Memoir, with a liberality of fentiment, and a love of truth which guides the pen of that invaluable geographer, Major *Rennell* informs us that, "had it not been for the marches of M. *Buffy* (the only monument remain-

* Rennell's Memoir, Introd. p. xci.

ing to the French nation of their former ſhort-lived influence and power in the *Decan)* the geography of thoſe parts would have been extremely imperfect; but they extend through more than four degrees of latitude, and more than five of longitude."

Mr. *Grant* examined in detail the financial plans of Mr. *Buſſy* in the *Decan*, interrupted by his being recalled ſuddenly into the Carnatic by *Lally*, juſtly accuſed of being jealous of *Buſſy*'s fame. It will always be an honour to the Britiſh name, that the character of that great man, M. *Buſſy*, has been reſcued from the nibblers at his fame, by Mr. *Orme*'s inveſtigation of his military and political career—by Mr. *Rennell* in his geographical—and by Mr. *Grant* in his financial plans: and it will be gratifying to every Engliſhman, that an Engliſh *Clive*, in ability, deciſion, and ſucceſs, ſhould live preeminent in the page of hiſtory; and it is no ſmall confirmation of Mr. *Grant*'s opinions, that, on a plan ſimilar to his own, *Buſſy* intended to eſtabliſh the power of *France* in *India*.

CHAP. II.

HAVING ſtated the principle of government and revenue at the period of the acquiſition of the *Dewannee*, we muſt enumerate the financial experiments of the *Dewan*, under the orders of very reſpectable and able ſervants of the Company, to whoſe lot it fell to endeavour to combine all the profits of the Moghul, the peculations of the *Soubah*, to a rack-rent of the territory, by a revenue-adminiſtration ſuppoſed to correſpond with the Moghul ſyſtem, ſupported by the force of the Britiſh arms. The veil of a nominal government naturally threw the whole of the detail into the hands of native managers; and the above extracts from Governor *Holwell* ſhew how little the natives had to expect from the moderation in the demands of Britiſh management, and how difficult it was to inveſtigate the native forms or inſtitutions.

Mr. *Grant* admits* that Lord *Clive* could not have found a more reſpectable *Muſſulman* than *Mahomed Reza Khan*, a more experienced *Hindoo* than *Rajah Doolubram*, nor a more intriguing and ſkilful manager of the complex and involved obſcurity of Indian finance, that *Rada Kunt Singh*, the elder brother of *Gunga Govind*, father of *Praen Kiſhen*; yet under their management every ſource of information was completely ſtopped, and ſucceſſive governments have been foiled in every attempt to execute their plans.

During the firſt period of the *Dewannee*, or *M. R. Khan*'s adminiſtration, the veil of nominal Moghul government was ſtrictly adhered to; but the Company's government, after a very ſhort trial, found its profits not correſponding to their expectations, to which, indeed, they themſelves do not ſeem to have placed limits. The ſubject was taken up in Parliament, and a Committee of the Houſe of Commons en-

* Analyſis of the Revenues of Bengal, MS.

deavoured to develop the intricacy of the double government in British India; from the *Reports of which Committee*, in 1772, 1773, and Mr. *Grant*'s *Analysis of the Revenues of Bengal* in 1785, any diligent financier may ascertain the innovations artfully introduced in the revenue system of the Bengal provinces at this period, both in the definition of persons and things, to render the Moghul system unintelligible, and to cover their peculation from the possible control of the Company; or, if in candor we can give to the native administration the colour of pious fraud, to save their countrymen from the avarice of their new conquerors, and to obtain the exclusive direction of the internal government.

CHAP. III.

Second Period Dewannee.

UNDER all this real and artificial confusion began the second period, by Mr.

Grant called Provincial Adminiſtration: a *Jummabundy* of the *Dewanny* lands was ſettled with *Zemindars* by the Council of Revenue at *Moorſhedabad* in 1771 to aid and control *Engliſh ſupervisors*, then recently appointed to act in the laſt year of the *Naibut* of *M. R. Khan*; they depended chiefly on him for official information, and conformed, for the moſt part, to his ſyſtem. Mr. *Haſtings* at this period was called on to produce an oſtenſible plan, which is recorded in detail in the Reports of the Committee of Secrecy of the Houſe of Commons; the occaſion aroſe from the neceſſity of putting a period to the native adminiſtration, under the veil of double government, impenetrable even to the Proprietors and Directors *. The Bengal Government was informed that "the Company have determined to *ſtand forth as Duan* †; the ſervants employed in the collections ſhall be ſtiled *Collectors*" inſtead of the preſent appellation of *Superviſors*; a fixed *Dewan* to be nominated by the

* Eaſt India, 6th Rep. Com. Secr. p. 307.

† Letter of the Directors per Lapwing, par. 12.

Board; lands to be let for five years, and to consist of an *entire Pergunnah*, not exceeding one lack of rupees; the *Bundebust* to be made by a *Committee* of the *Board* in a *circuit of the province:* these were the outlines of the revenue plan; it was immediately executed, and the plan of settlement for five years, exclusive of the form of lease by auction, seems generally modelled to the *Bundebust* of 1765; and its improved amount, by Mr. *Grant*'s calculation, *exceeded Cossim Ali*'s net *Malgoozary* revenue by three lacks.

The flattering prospects which were held forth, and had influenced the measure of appointing a Committee of Circuit, with powers to make a five years settlement with temporary farmers or renters of the revenues, soon vanished, and closed the farming system; for instead of profit, there ensued alarming diminution of revenue, joined to an increased expenditure, without a possibility to foresee or prescribe a limit to the mischief. The *Zemindars*, excluded from the functions of *their office* in *collecting* the rents from the *Reyuts*,

which gave them influence in the country, excufed themfelves from performance of their *jufticiary* duties, whereby, in all the principal towns, *Moorfhedabad*, *Patna*, *Dacca*, *Houghly*, *Purneah*, *Rajemal*, &c. the *Soubahdar* himfelf, his *Naib*, and *Fougedars*, refided with falaries, ftipends, and allowances, more than fufficient to fupport all the tribunals of criminal juftice neceffary for all *Hindoftan*; while another fet of individuals was invefted with the rank and dignity of thofe officers, with appointments larger than they could have enjoyed in the moft fplendid periods of the *Moghul* government. This impolitic expence and parade to the *delegates of Britifh* adminiftration, diverted the refpect of the natives from the *Britifh* to their native agents, who, to increafe their patronage and profits, fuggefted leffer *Fougedary* tribunals, and had the art to continue thefe *Fougedary* incumbrances, even *after* the *Zemindars* were reinftated in their full jurifdictions, when all fhould have reverted to the former order.

CHAP. IV.

The ſecond Period, corrected by Act of Parliament.

IN this ſtate was the ſyſtem of revenue management when the Legiſlature of *Great Britain* preſcribed an amendment; a Supreme Civil Government, a Supreme Court of Judicature, a limitation of the Company's dividend, an aſſumption of three fourths of the ſurplus of the net revenues in behalf of the nation, and the ſeparation of the revenue from the commercial department, were the principal features of Lord *North*'s plan for the better adminiſtration of *Britiſh India*, to preſerve it for *Great Britain*, after he had ably aſſerted the rights of the State againſt the claims of the Company to the territory. At the expiration of the five years ſettlement of the Committee of Circuit, Mr. *Haſtings*, profiting by experience, wiſhed to revert to the conſtitutional ſyſtem of *Moghul* ſettlement on the beſt information he could obtain: his real diffi-

culty, his miſtruſt of *Ameens* and conviction of abuſes, and of an exiſting regular ſyſtem in the country, by this production a *Kurcha** of a *Reyut* ſhould be taken collectively with the acknowledgement which cloſes Mr. *Haſtings*' minute of the 12th November, 1776, "I am not prepared to propoſe a complete plan, and decline giving a premature and partial opinion while I am profeſſedly ſeeking for the grounds which are to determine it†," they fully evince the mind of the Governor General, and the motive of his experiment. To Mr. *Francis* it appeared, on the contrary, that there was no neceſſity for the interpoſition of Government between the *Zemindar* and *Reyut*; "if they are left to themſelves they will ſoon come to an agreement, in which each party will find his advantage‡;" "we have no ſafer rule to direct us, than the actual receipts of the three laſt years, becauſe they ſhew *beſt* the actual ſtate of lands;" "that Government muſt make an eſtimate for a

* Account current.

† Mr. *Francis*' Original Minutes, p. 155.

‡ *Ibid.* page 55.

permanent eſtabliſhment, civil and military, and inveſtment, with a reaſonable allowance of ſurplus to anſwer the poſſible exceſs of diſburſements beyond the eſtimate; that the revenue of 1776 of itſelf would leave *a ſufficient ſurplus* to provide for unforeſeen emergency, and ſo far from wiſhing to increaſe it, he conceived it would be neceſſary to remit part of it in the future collections, leſt the accumulating ſurplus ſhould abſorb all the circulating ſpecie of the country."

It is not neceſſary to enter farther into the controverſy, than to ſtate that whatever degree of rivalſhip or perſonal animoſity unfortunately exiſted between Mr. *Haſtings* and Mr. *Francis*, the point of political difference in 1766 appears limited to the *revenue* ſyſtem. Mr. *Francis* agreed that the appointment of the *Naib Subah* was a proper beginning, which the propoſed farther inveſtigation of the *Fougedary* and *Zemindary* juriſdiction might render applicable to the country and to the reduced ſtate of the *Zemindars*; but to Mr. *Haſtings'* plan of ſettlement Mr. *Francis* op-

poſed with an acknowledged want of information, entire dependance on the ſingle principle of permanency to render unequal aſſeſſment, and an abſolute dependance of the *Reyut* on the *Zemindar*, unproductive of inconvenience. The original minutes and the plan of ſettlement of Mr. *Francis*, I may again revert to; but at this period it is ſufficient to obſerve, that Mr. *Haſtings*' *Aumeen* plan was adopted, and the reſult of that ſettlement certainly produced only a larger remiſſion of the diminiſhed *Jumma* of *M. H. Khan*, a farther increaſe of charges, farther diminution of income, and balances as large as ever. Mr. *Grant* has inveſtigated in detail the accounts of this period; and he makes it evident that the whole of theſe conſequences were imputable to the want of a *ſyſtem* founded on fixed principles of finance applicable to the ſtate of the country, and not merely to caſual increaſe of charges; for the *income* of the *Soubah*, collected from *Zemindars* and farmers, or the *Malgoozary*, is demonſtrated to have been *leſs*, even where the country was improved, and where the *Reyuts*

actually paid, in the name and behalf of Government, *more* than they paid on the higheſt ſtandard of former years; ſtill the balances increaſed, and appeared to grow, in the inverſe proportion to irregular, injudicious *full remiſſion* of the ſtipulated dues of the Exchequer.

In tracing the revenue arrangements, which engaged the controverſial talents of Mr. *Haſtings* and Mr. *Francis*, I mentioned that the *Fougedary* ſyſtem, by the appointment of a *Naib Soubah*, or Deputy *Soubah*, was not objected to by Mr. *Francis*: this department, including all the criminal juſtice of the country, was not wantonly taken up for the purpoſe of reform by Mr. *Haſtings*, any more than the Revenue Department; Parliament had appointed a Supreme Court of Judicature by the act 1773*, on the ſuppoſition that a Mayor's Court would not be adequate to the adminiſtration of the provinces. It is not neceſſary to ſtate the conſequences of *Britiſh* law, and of the *King*'s writs having

* Vide Act 13 *Geo.* III. cap. 63. ſec. 14.

currency through the provinces; or of the application of the law to perſons ignorant of European proceſs, and themſelves undefined by *Britiſh* Governors; it is enough to obſerve, that, ſo early as March, 1776, the majority of the Supreme Council of *Calcutta* confirmed the opinion of Mr. *Verelſt*, that *Bengal* could not be held by *Britiſh* laws, adminiſtered to the natives by the Judges of His Majeſty's Supreme Court of Judicature *; and farther ſatisfactory demonſtration of the neceſſity of conſtant reference to *Sunnud*, for the purpoſe of correct definition, appears in Mr. *Grant*'s ſtatement of the proceedings of the Courts in the caſes of *Zemindars* †.

The Legiſlature of *Great Britain* was not inattentive to the confuſion it had occaſioned, and, in 1781, took the beſt meaſure, as a preliminary to more effectual regulation, to grant *a general indemnity*. 21. *Geo*. III. cap. 70, ſec. 28, "and where-

* Mr. *Francis*' Letter to Lord *North*, p. 41.

† Inquiry into *Zemindary* tenures. *Debrett*, 1790, p. 9. and Appendix, No. 4, C. D. E. F. G. H.

"as in the late diſſentions between the "Governor General and the Judges in "*Bengal* many things have been done not "juſtifiable by the ſtrict rules of the law," it is farther enacted that "the ſaid Go-"vernor General and Council, and Ad-"vocate General, and all perſons acting "under their authority, are ſeverally and "jointly, ſo far as relates to the reſiſtance "to any proceſs of the Supreme Court, "indemnified and ſaved harmleſs," &c. And by ſection 8 of the ſame act, it is enacted, that "the Supreme Court ſhall "not have or exerciſe any juriſdiction in "any matter concerning the *revenue*, or "concerning any act or acts done in the "*collection* thereof, according to the *uſage* "and *practice* of the country, or the re-"gulations of the Governor General and "Council." And by ſec. 9 it was farther enacted, that "no perſon ſhall be ſubject "to the juriſdiction of the Supreme Court "on account of his being a land-owner "or farmer of land;"—this was connected with the other clauſes of the ſame act inſerted at length *, which guarantee the

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rights and authorities of fathers of families and mafters of families, according as they might have been exercifed refpectively, by *Gentu* or *Mahomedan* law *. And it muft be particularly attended to, that the act of 1781 reduced the Supreme Court of Judicature, inftituted in 1773, nearly to the limits of jurifdiction of the *Mayor*'s *Court*, according to its original charter ftill exifting at *Madras* and *Bombay*; but the forms and increafed expence incident to the great fcale of the Supreme Court, perhaps *neceffarily*, have been continued to the prefent period.

I remarked that at the period the Directors ftood forth as *Dewans*, the commercial and revenue departments were intended to be diftinct; it was obvious at that period that the landed revenue was the bafis of the commercial and political greatnefs of the Company, and having feen that the Revenue Department alone had abforbed the zeal and contefts of the Govern-

* Vide Act. 21. *Geo.* III. cap. 70.

ment, it is not therefore ſurprizing that no one of the plans intended to render the country proſperous had been attempted: the *ſubſidiary* principle which, in 1773, ſucceeded the unjuſt auctioneering practice of farming, on the avowed principle of collecting as much as poſſible from the country, has fully employed the talents of Mr. *Haſtings* and Mr. *Francis*, and Sir *John Shore* and Mr. *Law*, who all have, and they profeſs to have, the ſame *ſubſidiary principle*, of forming a ſettlement to the amount, which, from paſt experience and conjecture (expreſsly excepting actual meaſurement and actual valuation) they ſeverally, in honour and conſcience, believe the country *capable* of paying into the Exchequer, without a poſſibility of outſtanding balances; it is therefore neceſſary to reſcue that period of Lord *North*'s adminiſtration from obloquy, by ſtating an extract of ſome ſpeculations, and practicable means of giving proſperity to *Britiſh India*, compoſed by Sir *James Stewart*, at the deſire of the *Eaſt-India Com-*

pany, and printed at their expence, in 1772 *.

CHAP. V.

Methods propoſed by Sir James Steuart *for extending Circulation by the Means of Paper Credit in* Bengal.

LET us now ſuppoſe that the nature of the drains which tend to diminiſh the current coin of *Bengal* have been pointed out, and that the methods for rectifying the abuſes have been underſtood as hints for making more accurate diſcoveries upon the true ſtate of theſe important objects: the next objects of inquiry are, the proper methods for accelerating circulation; for by accelerating the circulation of the coin

* A memorandum in the copy I bought at a bookſeller's, ſtates that it was not publiſhed, but circulated by the Directors in 1772 to particular perſons.

you have, you virtually increaſe the quantity of it; that is to ſay, a leſs quantity will be neceſſary for performing the ſame purpoſes.

The great branch of circulation in moſt modern ſtates, and in *Bengal* like the reſt, is the collection of the public revenue, and the expenditure of it; promptitude, and punctuality in this particular, work ſtrongly by example upon every private tranſaction.

The revenues of *Bengal* are, properly ſpeaking, the land rents of the country; theſe have at all times been let in farm by the ſovereign, to *Subas*, *Nabobs*, and the greater ſubjects, who, paying a fixed tribute to the Prince, parcelled out their diſtricts to perſons of an inferior rank: each of theſe in his ſmaller department did the ſame, until the loweſt in this ſubordination of leſſees collected his proportion from the labourers of the land.

We need not travel ſo far as *Bengal* to find examples of this œconomy: the cuſ-

tom of farming every branch of revenue was very common over all Europe not many centuries ago; and the method of farming whole eſtates, or of collecting the rents of landed property by an interpoſed perſon, is at this day very well known in *France*. The cuſtom of letting leaſes of very extended property in land, to people who farm it out, differs very little from the ſyſtem of *Bengal*.

Beſides the great loſs to the Company in continuing to follow this plan, the unheard-of extortions, and the oppreſſion of the body of the people, which are the conſequences of it, call loudly for a change of management.

The money paid by the labourers of the ground is at preſent interrupted in its courſe at every change of hands, until, by the repeated ſhroffage, it comes at laſt reduced, as I may ſay, to a ſhadow, into the Company's treaſury; this abuſe is felt and acknowledged by every body; and unleſs it be reformed, the revenues of the Company

muſt daily diminiſh, and be, in the mean time, very precarious.

It is, no doubt, an arduous taſk to undertake ſo great a reformation; but abſolute power, ſupported by juſtice and common ſenſe, will get the better of obſtacles, which in other countries would be unſurmountable.

It will require the greateſt talents, and the beſt information as to facts, to bring ſo great a change to a perfect execution: but let it be remembered, that *William the Conqueror* made a complete ſurvey and valuation of a country leſs known to him than *Bengal* is to the Eaſt-India Company; and nothing prevents the Company from availing themſelves of the principles of the feudal ſyſtem of government in the execution of their plan.

If the whole lands of *Bengal* be valued; if a book be made out for every diſtrict of the country, and for every city and principal town, and the rent payable to the Company by every poſſeſſion be therein ſpe-

cified, it will be an eaſy matter to eſtabliſh a ſort of quit-rent which may be payable by the whole diſtrict to ſome man of conſequence, who may be conſidered as the ſuperior lord of it, without giving him any juriſdiction which may enable him to oppreſs the people or interrupt the ſettled plan for levying the revenue. By this regulation the rents of the lands will paſs directly from the occupier into the hands of the Company; the circulation of money will be quicker; the revenue will be greatly augmented, and ſeveral of the moſt conſiderable people will be provided with revenues, independant of every one but the Company; inſtead of the wealth of the country being ſwallowed up, as at preſent, by the *Shroffs*, a ſet of people of no conſequence for ſupporting the authority of government, but who, like a canker-worm, are always preying upon the vitals of the ſtate.

Were this firſt part of this plan put in execution, another may be made to ſucceed.

The labourers in *Bengal* are, for the

moſt part, manufacturers; part of their rents, inſtead of being made payable in ſicca rupees, might be made payable in goods; and ſtamp offices might be eſtabliſhed to aſcertain their being made without defect.

In the proximity of great cities, and in very populous diſtricts, granaries might be eſtabliſhed, and part of the rents might be received in grain for the ſupply of markets, at a price proportionate to the plenty of the year. Even theſe granaries may be converted into banks for grain, according to a plan which may be contrived for the circulation of ſubſiſtence, and even of paper credit within a ſmall diſtrict.

Theſe are mere hints which point out progreſſive improvement; but were I here to enlarge upon them, they might appear ſo very chimerical, as even to diſcredit the thought itſelf. Let it, however, be obſerved, that what is here propoſed is not intended to be executed by dint of authority; it is calculated ſo as to execute itſelf, as ſoon as the utility of it is perceived, and the

credit of the Company is firmly eſtabliſhed.

I have, without ſucceſs, inveſtigated every principle upon which a paper currency, *under the authority, and upon the credit, of the Company*, can be eſtabliſhed; but the principle upon which this branch of credit is grounded is totally incompatible with ſovereign power; it is founded on *private utility*, and it has even occaſion for a *ſuperior authority* to keep it within bounds.

Were the Company to open a bank in *Bengal*, ſuch as the Bank of *England*; were this bank to become there as the other is in *London*, the center of all circulation; and were it to get poſſeſſion of a great part of the coin of *Bengal*, what ſecurity could be given, that, upon a preſſing occaſion, this treaſure might not be ſpent in the defence of the country? were it made a bank purely of depoſit, like the banks of *Amſterdam*, *Venice*, *Nuremberg*, and many others upon the continent, the depoſit contained in it would be expoſed to the ſame danger. Were it eſtabliſhed upon the mortgage of land property, and upon the

beſt perſonal ſecurity, as the banks eſtabliſhed in *Scotland* are, the former inconvenience would not indeed be ſo great, becauſe the quantity of the bank treaſure never could carry ſo high a proportion to the notes in circulation. But, on the other hand, where is there to be found a ſolid property in land to be mortgaged for ſuch an immenſe quantity of paper as is the unavoidable conſequence of this plan of banking? and this growing deficient, the powers of ſuch a bank would be very limited.

A ſyſtem of paper credit, ſimilar to that eſtabliſhed in the Colonies of *North America*, where the paper is iſſued upon no other ſecurity than the bare promiſe of the Colony to make it effectual, with an obligation to receive it in payment of their taxes, but without providing any fund to pay upon demand either the capital contained in the note in ſpecific coin, or even an intereſt correſponding to the ſum during the delay of payment, is ſo defective a ſcheme, and one ſo liable to great objections, particularly ſo that of gradually debaſing

the value of their money of account, that I never can recommend it to the imitation of any trading nation.

But although I am of opinion that no bank can be eſtabliſhed in *Bengal under the authority of the Company*, with the ſame advantages as in Europe, where governments are better eſtabliſhed, and property well ſecured, ſtill I am far from believing that the circulation of *Bengal* may not be greatly aſſiſted by the uſe of paper currency.

I have obſerved above, that the lending of money to ſtrangers by the ſervants of the Company, who have a redundancy of wealth, contributed not a little to produce a drain of ſpecie from *Bengal*; I have alſo hinted, that certain reaſons might engage the Company to borrow this money from them upon reaſonable terms.

From this circumſtance, I think there is an opening for the eſtabliſhment of paper credit.

Let us then ſuppoſe the money borrowed by the Company from their ſervants in *India* to be ſufficient to compenſate what the latter now lend to ſtrangers.

Were it propoſed to them, either to ſubſcribe their claims upon the Company into a banking fund, or to receive reimburſement from the Company to the extent of what may be ſubſcribed by others for this purpoſe; this new fund may be divided into ſhares, of rupees, transferable as the funds are in *England*, bearing per cent. intereſt, irredeemable by the Company for years; and an excluſive privilege may be granted to the ſubſcribers for the ſame number of years, for the purpoſe of carrying on a banking trade; by the iſſuing of notes in the diſcounting of goods, bills payable in days; or in conſideration of pledges of treaſure, jewels, or precious effects, depoſited in the bank; or upon the mortgage of good property, and the beſt perſonal ſecurity, for ſuch length of time as may be judged reaſonable and ſafe; or in the purchaſe of gold and ſilver; or, laſtly, for advancing certain ſums of

money to the Company, upon the ſecurity of their annual revenue, according to the practice of the Bank of *England.* All theſe articles of credit to be given in conſideration of ſuch rates of intereſt as to the Company may ſeem reaſonable, and as the ſame may be regulated by the Company in the charter to be by them granted to the ſaid banking company.

But the ſaid banking company ſhall be prohibited from launching out into any precarious object of commerce, or from iſſuing their paper upon any other ſecurities except thoſe above ſpecified. Under theſe, and ſuch other regulations as the Eaſt-India Company may think proper to add, this banking company may be laid open to natives as well as Europeans: it may begin to diſcount bills and notes of hand at ſhort dates, which it may renew according to the goodneſs of the ſecurity; and the Eaſt-India Company may with ſafety receive in payments the paper it iſſues upon diſcounting ſuch bills and notes, to the extent of the money owing by themſelves; or they may furniſh out of their

treaſures what coin may be neceſſary for the ready diſcharge of ſuch notes as may be preſented for payment at the bank.

It will, no doubt, be neceſſary that the managers of the banking trade ſhould quarterly lay before the proprietors an exact ſtate of the notes in circulation, and of the ſecurities received by the bank, at the time of their being iſſued. And for the greater ſecurity againſt the malverſation of thoſe who are in the direction of the bank, and who muſt be choſen into the direction by the body of proprietors, let it be declared, that the ſum of   in the banking ſtock ſhall be neceſſary to intitle any one to be a Director: and farther, that the whole property (in *India)* of ſuch Directors ſhall be pledged, while they hold their office, as an additional ſecurity for their good adminiſtration.

It is impoſſible to ſay what operations may be carried on by this bank, and how far it may in time extend its credit. It may for this purpoſe open offices in all the principal cities of *Bengal*; which will be admi-

rably well calculated for calling in and re-coining all the old and unequal coin. The *Shroffs* will naturally become proprietors, and will lend their aſſiſtance in this particular, which will be a douceur for them. They will be employed in a trade ſomething like what they now carry on; but it will be ſo fenced in by proper regulations, that it will have every advantage and none of the inconveniences of the preſent practice.

If it be thought expedient to eſtabliſh granaries, or banks for the circulation of grain, this Company will be at hand for carrying on the operation.

In ſhort, it is impoſſible to foretell the many advantages which may follow the eſtabliſhment of credit, ſecured upon a ſolid fund of property, in the hands, and under the protection, of the Company, who are to have no ſhare of the profit, and the greateſt intereſt in preventing the iſſuing of paper upon precarious ſecurity.

It would not, I think, be proper to ad-

mit any perſon of the Council to be either a Governor or a Director of this bank; but I think it would be expedient to ſecure the property of the fund for the payment of the bank paper, excluſive of all other engagements the banking company may contract.

If we conſider the rate of money in *Bengal*, there will be, perhaps, 8 per cent. upon the bank ſtock, and 8 per cent. more upon diſcounting loans, &c. both together will produce ſo great an emolument as to engage people of wealth and property in the banking ſcheme: beſides, the very notion of ſtanding upon a ſolid and independent footing, will be extremely flattering to many of the natives. And as the eſtabliſhment is planned upon the ſame principles as the Bank of *England*, it is natural to ſuppoſe that it may produce ſimilar effects in ſupporting the credit of the Company on one hand, and in being ſupported by the Company on the other.

As I have been inveſtigating every method to improve and augment the riches

and circulation of *Bengal*, I cannot omit enlarging upon ſome circumſtances relating to what I may call their foreign trade.

I have endeavoured to find out a method for conducting thoſe reſources which proceed from herſelf (namely, the money ſhe at preſent poſſeſſes) into a channel which may ſet new engines to work in order to augment circulation and encourage her manufactures, inſtead of ſerving as a bare equivalent for thoſe at preſent produced: this, I hope, will be accompliſhed by the eſtabliſhment of a bank, which is a more profitable employment for the *Bengal* money than lending it to our rivals in trade.

The conſequence of this will be, that more European ſilver will flow in upon her, from ſources which we ourſelves at preſent are ſhutting up.

As ſoon, therefore, as the Company's inveſtments are made, and that the annual revenues from certain diſtricts are paid, or credit given for them, let all the *Bazars* be thrown open to every foreign merchant;

let theſe be conſidered as the *ſellers of ſilver*, not as the purchaſers of goods; let not the Company graſp at the higheſt profit poſſible upon their trade, but let them be ſatisfied with the higheſt profits compatible with the proſperity of the country which enriches them.

Were this regulation eſtabliſhed, every ſtranger who ſhould pretend to trade in a diſtrict which is in arrear of rent to the Company will be conſidered as a ſmuggler, and the proſpect of obtaining a free trade by the payment of their rents, will be a powerful motive for the inhabitants of every diſtrict to make the promptitude of their payments a common cauſe.

This will engage them to apply to the bank, and in order to obtain relief from this quarter, they muſt eſtabliſh their credit.

In this view the bank will be a check upon every one who may have it in his power to oppreſs the labourer or the manufacturer; becauſe the profits of the bank

will depend much upon the credit of the inhabitants, and upon the preſervation of their property.

What a new phenomenon in *Bengal*, a *Shroff* director of a bank, from a blood-ſucker, is become the protector of the labouring man! Intereſt does all; he ſucks the blood becauſe it is his intereſt ſo to do; he gives his protection from the ſame motive: by directing the intereſt of individuals to a proper object, good government is eſtabliſhed.

The foreign trade of *Bengal* is what alone can increaſe her wealth, or, at leaſt, keep the ciſtern full, in ſpight of its many leaks.

It is a general maxim, that exportations enrich a country, and that importations impoveriſh it; but this is to be underſtood in the way of trade.

The exportations made from *Bengal* by the Eaſt-India Company do not enrich it, any more than the importation of the

ſpoils of the world impoveriſhed ancient *Rome.*

The foreign trade of *Bengal*, as I am now to conſider it, conſiſts in the raw materials for their manufactures, and in that part of ſuch manufactures as is ſold for money brought into the country.

The raw materials are principally cotton, cotton-yarn, and ſilk. The trade in theſe articles ought at leaſt to be free, not clogged with any duty, left entirely in the hands of the natives, and every protection and encouragement ſhould be given to thoſe who are concerned in it: even bounties might be granted if neceſſary.

That the manufactures of *Bengal* need encouragement, is certain, ſince the quality of goods is ſaid to be inferior to what it was ſome years ago, while the prices are higher, and the ſupply leſs; this never can be the operation of trade; it muſt proceed from ſome internal defect, which ought to be well examined into, and its cauſes removed.

That the inveſtments of the Company ſhould be made in the beſt goods and the choice of the market, is juſt and reaſonable; but care ſhould be taken to prevent the Company's ſervants from becoming the purchaſers of what remains, with a view to make a profit upon it in the retail to ſtrangers.

I do not object againſt this purchaſe becauſe a profit upon it does ariſe to the ſervants of the Company; this, in my opinion, ſhould rather be a reaſon for approving it, both in favour of the ſervants, and becauſe it is a drawback upon the profits of thoſe who rival the Company in its trade: but when we conſider *Bengal* to be a country belonging to the Company, expoſed to many drains in conſequence of this property, and to one among the reſt not inconſiderable, viz. the price paid for the raw materials of all the goods exported by the Company without any profit to *Bengal*, it will be expedient to encourage as much as poſſible the ſale of all that is over the inveſtments of the Company, in ſuch a way as to increaſe the demand of

ſtrangers, which cannot be ſo well accompliſhed, as by leaving a reaſonable profit both to manufacturers and to foreign merchants. Had, indeed, *Bengal* no occaſion for foreign reſources, I ſhould propoſe no farther reſtrictions on the Company's ſervants in buying up goods upon their private account, than what might be neceſſary for the protection of the manufactures.

To enter particularly into the regulations proper to be made with reſpect to the trade of *Bengal, requires the moſt intimate knowledge of the ſtate of every branch of it:* I ſhall, therefore, content myſelf with ſuggeſting the *objects* of ſuch regulations. Theſe I take to be,

Firſt, The branch of importations by the Company. As to this, the regulations will relate to the public ſales of the goods imported, and to the rules to be followed by all thoſe who are to vend ſuch goods in every part of the country. Uniformity muſt here be obſerved: if every purchaſer be not intitled to the ſame freedom; if every purchaſer be not ſubjected

to the ſame duties upon retail; and if theſe liberties and theſe burdens be not exactly ſpecified; this branch of trade will never flouriſh as it ought to do, for the emolument of the Company and the ready ſupply of the conſumer: and as I am informed that there is very little abuſe in this particular branch of trade, it will ſerve as a good model for regulating the reſt.

Secondly, The inveſtments of the Company for the European market. Here all proper encouragement muſt be given to manufacturers: if it be thought proper to accept of part of the rents of the lands in goods, ſuch goods muſt be of a determinate kind, ſo as to come under a regulation of prices; and although the nature and the proſpérity of trade require freedom on all hands, ſtill this freedom is not incompatible with ſuch regulations as may inſure to the manufacturer the prices and profits which the Company ſuppoſe to be conſiſtent with the intereſt of their own trade, and ſufficient to produce a living profit to their induſtrious ſubjects, which from abuſes they are ſometimes deprived of.

Thirdly, The internal trade of *Bengal*; or the ſale of its manufactures for the conſumption of the country, and the ſupply of all other markets, by merchants who are, or who are not, in the Company's ſervice. What I ſhall obſerve concerning this is, that regulations ought to be made general with reſpect to all traders: whatever cuſtom, duty or exciſe be laid on, let them affect every trader equally; let the general and only *Perwannah* be the Company's regulation; let the only *duſtuck* be a permit from the Cuſtom Houſe; let frauds by the merchants, let oppreſſions by the Company's ſervants, be puniſhed by courts of juſtice, who then will have a written law before them to regulate their deciſions.

The *fourth* and *laſt* branch of trade is, the importations from the Aſiatic nations, principally conſiſting of the raw materials for manufactures: of this enough has been already ſaid; I ſhall only add, that premiums may be given to thoſe who will explore the rivers and avenues leading to the countries which abound in ſuch productions, and ſecurity granted to the na-

tives who will bring ſuch goods to market.

Many bitter invectives have been thrown out againſt the exciſe impoſed upon ſalt, beetle-nut, and tobacco; and becauſe theſe articles of conſumption have been monopolized, and that the profits have fallen into the hands of private perſons, it is raſhly concluded that the trade in them ſhould be laid quite open. I confeſs that I ſee the queſtion in a very different light: the beſt of all taxes are moderate exciſes; the moſt productive exciſes are thoſe impoſed on the neceſſaries of life; they raiſe the price of living univerſally and proportionably, and therefore enable every induſtrious man to raiſe the price of his labour in proportion to the tax he pays: they are hurtful to the idle; but I do not attend to the intereſt of the idle, any farther than to diſcover methods for making them induſtrious.

The plan followed in *France* for levying a tax upon ſalt and tobacco will furniſh the Company with many good hints for eſtabliſhing one branch of exciſe upon

ſalt: I do not approve of extending it to tobacco and beetle-nut.

Beetle-nut and tobacco are the common productions of *Bengal*, and no exciſe ſhould be impoſed upon articles of conſumption, except when it can be eaſily levied without oppreſſion; it is therefore contrary to the principles of all exciſes to ſubject to that duty what may eaſily be conſumed without paying it.

But ſalt is not a common production of *Bengal*; the places where it can be made are few, and a great diſtance from the places were it muſt be conſumed. I ſhall not pretend to lay down a plan for putting ſalt under an exciſe, but I ſhall ſuggeſt the principles upon which the plan may be formed.

The ſalt works muſt be excluſively in the hands either of the Company or of their farmers: in *France* they are in the hands of the farmers. If in the hands of the Company, all the ſalt muſt be collected into certain magazines, and ſold at a cer-

tain rate to perſons who ſhall engage to ſupply every particular diſtrict of the country with ſalt at a certain fixed price. The difference between the prime coſt of the ſalt to the Company, and their ſelling price to the merchant, is the *exciſe*.

The price at which the buyer of the ſalt for the proviſion of a particular diſtrict is obliged to ſell it to thoſe of the diſtrict is the *aſſize*; which aſſize ſhould be as many per cent. above the ſelling price of the Company, as to indemnify the merchant for all expence of tranſportation, riſk, &c. and alſo to afford a living profit for himſelf.

Were this regulation made, and prices fixed for every diſtrict, people would be found who would make the proper proviſion at the Company's magazine, and who would tranſport it to the place of conſumption.

As it cannot be ſuppoſed that every individual can go for a ſmall quantity of ſalt to the office of the diſtrict, retailers ſhould

be appointed by the ſalt office for diſtributing the ſalt, at a moderate profit above the office ſelling price, in every country village.

These are the outlines of the plan adopted in *France*, both for ſalt and tobacco, with ſome ſmall variations, however, in conſequence of particular circumſtances relative to their method of farming and the like, and alſo to local exemptions from this duty upon ſalt, which make it very oppreſſive in thoſe diſtricts where it is collected, but which will be avoided in *Bengal*; firſt, becauſe there muſt be no local exemptions; ſecondly, becauſe there can be no foreign ſalt introduced, except by permiſſion of the Company; and, in the laſt place, becauſe the duty impoſed muſt be ſo ſmall as not to coſt the conſumer above the value of two rupees for the *Maund* of 80 pounds weight, except on account of extraordinary diſtances, or of countries of very difficult acceſs; where, in every way the trade can be carried on, the commodity muſt bear an advanced price.

From this branch of excife, properly laid on, a great income will arife to the Company, and the country will be better fupplied, than by any other method which can be contrived. It is not true that an open trade is always the beft; the argument for it is, that the competition between dealers will bring down the price, but this competition is very fmall in the fale of a neceffary of life, little different in its quality, and proportioned, in its quantity, to the confumption of the inhabitants. Under thefe circumftances, I fay, competition will never take place, except when the quantity provided is not fufficient for the demand, and on every fuch occafion, prices will rife confiderably, and the advantage from the competition will not counterbalance the advantage of a fteady and regulated price at all times.

Let me here obferve, that when trade has for its objects fuch goods as are produced or manufactured in different places, under different advantages or difadvantages, natural or accidental, no excifes can properly be impofed; becaufe prices cannot

then be put under any regulation: the trade muſt be left free, and thoſe who ſell cheapeſt will ſupply the market.

But in this trade in ſalt the caſe is different; all dealers in it will buy at the ſame price, and all of them muſt ſell with the ſame profit.

There is no riſk or expence which will not be compenſated with a correſponding allowance on the aſſize or price of retail; there can therefore be no occaſion to encourage the ingenuity and ſpeculation of merchants for the ſupplying of markets with this commodity. The ſalt manufactured will be in proportion to the conſumption of the inhabitants; and as the demand for it will be regular, and the profits to the dealers in it will be certain, the only objects to be compaſſed by the regulations upon the trade will be, to raiſe a branch of income to the Company, to ſupply the conſumption of the inhabitants at a moderate and fixed price, and to allow a certain and regular profit to the merchant.

Here again the bank will prove of notable advantage. The undertakers for the ſalt office in a diſtant part of *Bengal* may obtain credit from the bank at the Company's ſalt magazines for the quantity required in the diſtrict. It is the intereſt of the bank to take ſecurity for the delivery of the ſalt into the particular ſalt office, and when this is done, the general regulations will prevent all abuſes in the retail*.

Thus have I endeavoured to lay down the principles of money, as far as they can apply to the preſent ſituation of *Bengal*, confined to a ſilver currency; and I have provided an expedient which will be ready at hand, whenever circumſtances may require the aſſiſtance of gold: the only thing neceſſary for this purpoſe being, to give a legal denomination to the gold coins, according to the fluctuating proportion of the metals in the *Bengal* market.

* The Extract from Sir *James Steuart*'s Treatiſe on the Principles of Money applied to *Bengal* might end here; the remaining ſentences are added that the extracts may ſerve as a directory to the intereſting parts of the treatiſe neceſſarily omitted.

I have, to the beſt of my information, inveſtigated the cauſes of that ſcarcity of the precious metals ſo univerſally complained of; and, in contriving methods for correcting this inconvenience, I have alſo, in proportion to my knowledge of the ſtate of the country, thrown out hints which people of experience will be better able to improve than I can be to analize them.

The reformation upon the method of collecting the revenue directly from the occupiers of the land; the converting of a part of it into goods manufactured, or into articles of ſubſiſtence; the forming of granaries, and the adminiſtration of them, muſt be the work of time; and the poſſibility of carrying ſuch ideas into real execution, will be diſcovered by circumſtances only, which have not hitherto exiſted, and which the greateſt human foreſight cannot foretell.

The ſucceſs of the bank, and the proſperity of paper credit, will ſolely depend upon the credit of the ſecurities taken by the bank upon iſſuing their notes. If ever

this bank ſhall carry on trade; if ever they ſhall pay for goods with their own paper; if ever they ſhall lend this paper on precarious ſecurity; the ruin of the bank and of the credit of the Company in *Bengal* will be the infallible conſequence.

CHAP. VI.

Third Period of Revenue Management.

IN proceeding to the ſhort adminiſtration of Sir *John Macpherſon*, we muſt not be led to the political or private tranſactions of Mr. *Haſtings'* government, at preſent the objects of public inquiry; but having ſtated that the revenues had diminiſhed, and the charges of management increaſed, during Mr. *Haſtings'* adminiſtration, it would be injuſtice not to bring under conſideration, that an accumulating debt aroſe to an enormous amount, from the wide-extended difficulty and warfare which at that time

threatned the exiſtence of the *Britiſh* empire in *India*: and it is remarkable that, in 1782, the increaſe of the revenues and decreaſe of charges in collection appear to have been 10,00,948 rupees; and in twelve or' fourteen months of the ſame period, *Bengal* ſupplied *Fort St. George*

with	C. R.	1,33,65832
And *Bombay* with	-	1,02,04175
		2,35,70007

Beſides providing an inveſtment by a ſubſcription loan; but if the exertions were extraordinary the preſſure of public diſtreſs inevitably followed; whether public calamity was wantonly aggravated by Mr. *Haſtings* will be declared by the judgement of the moſt high and Supreme Court of criminal juriſdiction of Great *Britain*, on the preſentment made by the moſt ſolemn, grand inqueſt of the kingdom.

On the 5th of February, 1785, the government devolved on Mr. *Macpherſon*, by the reſignation of Mr. *Haſtings*. Mr. *Shore* returned to Europe with Mr. *Haſtings*, and bore with him the teſtimony alſo from Mr.

Macpherſon, of his being one of the moſt intelligent and experienced of the Company's ſervants, during the paſt management of the *Indian* finance. But Mr. *Macpherſon* appears to have thought every exertion, *new* inveſtigation and experiment, as well as effectual reform, neceſſary to keep the affairs of the Company from ſinking. The attention of the Company and of Parliament was at the ſame period unremitting, and very important changes had ariſen in the public mind, and in one point only they all coincided, viz. the neceſſity of deciſive meaſures; conſequently, the Governor General, Mr. *Macpherſon*, in *Bengal*, was employed in reducing to practice reforms, which in *England* the greateſt abilities were engaged in reducing to practical theory. It appears, however, extraordinary, that in the valuable and bulky volume of *Plans* for *Britiſh India* *, not one word relating to the difference of plans, or indeed any thing to lead to any part of Mr. *Macpherſon*'s adminiſtration, appears, notwithſtanding papers leading to the fi-

* Plans for India, 4to. *Debrett*, 1793.

nancial measures of his government had been laid on the table of the House of Commons to meet the notification of the proposed settlement of *Bahar* in 1790 *. My attention was therefore led to account for the omission, and, in great measure, I am satisfied that the concurrent proceedings in *Great Britain* and *Bengal* having proceeded on different views of the subject, the Board of Control *to this day* have only seen through the medium of Mr. *Shore*, Mr. *Rouse*, and other sensible men, wedded to old systems, and prejudiced or committed in the old *British Dewannee* system, and consequently has laid aside all Mr. *Grant*'s proceedings and reports, as *Serishtadar*, following the advice of Mr. *Francis*; who assured the House of Commons, in 1790, that of all laborious and Herculean undertakings he had overcome, none equalled the perusal of Mr. *Grant*'s papers, which Mr. *Greville* had moved to be laid on the table of the House, and also wished to be printed at the expence of Parliament; this fact at least shews that Mr. *Grant*'s system was

* Inquiry into Zemindary Tenures, Appendix.

known to exiſt among the records of the Company, of the Board of Control, and of Parliament. It not only remains for me to ſhew that there exiſted a remarkable concurrence between the Government General in *Bengal*, and the Directors, Board of Control, and Parliament, in *Great Britain*.

In January, 1784, Mr. *Macpherſon* addreſſed a ſeparate letter to the Directors, with an outline of a general plan of reform and regulation of *Indian* finance. The Reports of the Houſe of Commons of February and May, 1784, were under conſideration of the *Bengal* Governor in December, 1784, and the opinions of the Governor General and Council recorded, and promiſe of correſponding exertions of the Supreme Government in *Bengal* was promiſed to the Directors. The 1ſt of February, 1785, Mr. *Haſtings* reſigned the government to Mr *Macpherſon.* The reform of eſtabliſhment was begun, the 14th of February, by the reduction of the Governor's body guard, and in general the reforms *ordered* by the Directors in *London*,

the 11th of April, 1785, had been *made* in *Bengal* in *February*, *March*, and *April*, 1785.

The plan for the difcharge of the Company's bonded debt, ordered on the 11th of September, 1785, in *England*, had not failed, though difpatched from the India Houfe before Mr. *Macpherfon*'s plan for the fame object arrived; and the Directors informed him, " that they had come to the refolution of leaving the firft reductions of their feveral eftablifhments in his hands, referving to themfelves the final revifion*."

The revenue plan was ordered by the *Bengal* Government in April, 1786, and on the fame month, 12th of April, 1786, the Company's orders for their revenue plan were figned in *London*.

The decreafe of charges in the different departments during Mr. *Macpherfon*'s fhort adminiftration, forms fo great a refource to the Government of *Bengal*, that it ought

* Directors' Letter, 21ft September, Par. 4.

not to have paſſed unnoticed by any accurate examiner of the different adminiſtrations, with a view of eſtabliſhing principles of fixed government.

Mr. *Haſtings*, during his whole adminiſtration, was under the preſſure of complicated claims from Proprietors, Directors, and Miniſters, to participate in his patronage; Mr. *Macpherſon* was relieved from this complicated uncontroled ſyſtem, by the arrival of Mr. *Pitt*'s *India* Bill, the 26th of February, 1785, at *Calcutta*: but the firſt advice of the Company's orders to liquidate the *India* bond debt by bills on *England* was received at *Calcutta* the 6th of February, 1786; conſequently all the financial efforts of the *Bengal* Government were not then aſſiſted, as they have been ſince 1786.

The arrangements introduced by Mr. *Macpherſon*, immediately tending to a real diffuſion of knowledge, and to a real practicable control of *Britiſh India*, which have been approved and continued, were, a new calendar, or abridgement of the *Ben-*

gal Government, in the form which has ever ſince been uſually made part of the Court Calendar in *England*; it was compiled by a committee of the heads of the different offices, in 1785, and was in the preſs in January, 1786. The eſtabliſhment for the Company's ſhipping at *Diamond Point*, the eſtabliſhment of the ſettlement of *Prince of Wales's Iſland*, for commercial and political purpoſes; the commercial negociations with the European foreign chiefs, and the political conſiderations relative to the native powers, at leaſt are entitled to general view; ſome of the objects of internal government appear, from public advertiſement, or in the *Bengal* conſultations, to be poſtponed for the neceſſary intervention of Parliament: the police of *Calcutta*, the regulation of *Bazars*, and reduction of oppreſſive taxes on proviſions, appeared practicable to Mr. *Macpherſon*, from the example of *Chinſura*, *Serampore*, and *Chandernagore*, *neighbouring European factories; the judges found difficulty in forming a *legal* and *effectual*

* Bengal Conſultations, 25th of March, 1785.

remedy; the markets however, were, regulated; wages of ſervants could not, though there appeared to be in *Calcutta* 30,000 ſervants and 6000 horſes, and the wages one half more at *Calcutta* than at the above-mentioned foreign factories. A bank was eſtabliſhed by individuals in *Calcutta*; the *Bengal* Gazette, 23d of March, 1786, contained the plan, and the legal opinion of Mr. *Dunkin* and Mr. *Davies*, which enabled every perſon to know that the plan ſtood on private confidence until the Legiſlature, or a charter from the Crown, incorporated and regulated a bank. But Mr. *Macpherſon*'s *certificate* plan eſtabliſhed at once confidence in the Company's paper, which he iſſued, as a ſubſtitute to the deficiency of ſpecie from the remittances, to the Coaſt and *China*; he publiſhed in the *Bengal* Gazette the names of the holders, and number of the certificates, and pledged payment of every certificate according to *priority of date*, whereby it is obvious he deſtroyed the poſſibility of continuing private management or preference to the prejudice of the Company's creditor.

By a regulation of March, 1785, in the revenue department, every farmer, *Zemindar*, or landholder, was required, at the close of the year, to pass his bond, at 12 per cent. interest, to the Company for whatever balance remained unpaid, to be cancellable only by the order of Directors, whereby it is obvious he cut up the system of fraudulent balances and compositions; these appeared fundamental principles, and led me to investigate the degree of security which was given to the meanest landholder, native *pottah* holder, bound by his heritable *pottah* or grant, to pay a certain portion of the produce, or an equivalent in money, to the protecting sovereign: the reference I make to Mr. *Grant*'s information is sufficient to shew at least that I have been convinced his system *alone* will realise practicable security to native landholders, and to the *British* nation. The honourable distinction of a Baronetage conferred on Mr. *Macpherson*, followed his supercession, and the thanks of the Company, hitherto without their liberality, have acknowledged the extent of the

reforms completed during his adminiſtration.

Grand total eſtabliſhed charges of the *Bengal* government, as they ſtood 31ſt of January, 1785, when Sir *John Macpherſon* received charge of the government, *per month*, - C. R. 29,60,627 2 3

Grand total of the ſame charges, as they ſtood 30th June, 1786, two months and ſeventeen days before Lord *Cornwallis*'s acceſſion to the government - 19,76,742 4 3

Total monthly decreaſe of charges or reduction 9,83,884 14 0

Total *annual* reduction in the eſtabliſhed charges of the *Bengal* government, from the 31ſt of June, 1785, to the 30th of June 1786, 1,18,06618 8 current rupees, or about £.1,200,000 ſterling.—See comparative account charges of *Bengal* government, diſpatched from the Accomptant

General's office, *Fort William*, 18th September, 1786,

(Signed) J. CHEAP, D. Ac. Gen.

Recd per *Ranger* pacquet,
in *England*, April, 1787.

I could not paſs over this period, from which I have derived much inſtruction, without directing the public attention to it, particularly as Sir *John Macpherſon* has for ſome time been abſent among the *Durbars* of the continent of Europe, and Mr. *Grant* has been judiciouſly ſettling the *Doul Bundobuſt* with his tenants in the *North of Scotland*, where the Board of Control might ſend for the original native accounts of *Britiſh India*, under the *Moghul* ſeal of office, and for the valuable hiſtorical library, in *Perſian*, which with ſo much modeſty Mr. *Grant* refers to in the extract I have made from his political ſurvey of the *Northern Circars*, which information, I believe, could not be obtained in any public or other private collection in Europe.

CHAP. VII.

On the Certificates concerning the Definition of Zemindars.

MUCH ſtreſs has been laid on the definition of the word *Zemindar*; in Europe it may appear exceſs of delicacy and purity of *Britiſh* adminiſtration; in *India* it can only appear evidence of our extreme ignorance. If we are ignorant, we ought to be cautious from what ſource we gain information; and the neceſſity of connecting the definition of office with the *Sunnud*, will appear even from conſidering the Company's tenure of their *Jageer* in the *Carnatic*, and their *Zemindaries* in *Bengal*. Mr. *Dalrymple* informs us*, that he uſes the term *Jaghire geographically* only, for if it was properly *Jaghire*, there would be ſervice due; whereas, the lands being free

* Short account of the *Gentoo* mode of collecting revenue, p. 5. *Elmſley*, 1783.

of all ſervice, he claſſes the poſſeſſion as *Inaum.*

Mr. *Grant* informs us, that *Zemindary* tenure in *Bengal* implies official ſervice, and that if it was an heritable grant, it would be *Al-tumgha*, only in uſe ſince 1765*; conſequently a definition of theſe two important terms in the revenue diviſion of *India*, miſapplied as a general definition of *Jageers* and *Zemindaries* of the *Moghul* government, muſt involve us in infinite confuſion; and this has actually happened, by referring to the intereſted native officers for proper definition of theſe terms. The impropriety and fallacy of the evidence of the officers who anſwered the queſtions propoſed by the Governor and Council in 1773, is fully ſtated by Mr. *Grant*†; it will therefore be only neceſſary ſummarily to refer to a ſentence in his analyſis of the revenue of *Bengal.* " We muſt admire the candor and ſimplicity of the *Pundits* or

* Inquiry into the Nature of *Zemindary* Tenures, p. 1. *Debrett*, 1790.

† Inquiry into *Zemindary* Tenures, p. 37.

learned *Brahmin Hindoos*, when applied to, in 1773, to expound the doctrine of fucceffion to *Zemindaries* in *Bengal*; whether by *civil*, or *hereditary* right, it devolved to the lineal defcendant of the laft occupant, or in virtue of *Sunnud* of the Prince? They declare, "it is not written in the *Shafter*," or divine books fuppofed to be promulgated 4,000 years before the political inftitutes of the *Moghul* Emperors in *Hindoftan*; and we muft contraft, not without indignation, the reference of the *Naib Soubah* to the fcriptural code of the *Legiflator of Arabia*, publifhed in the 7th century, as the rule of fucceffion to *Hindoo Zemindaries*, a fpecies of official property, undefcribed in the *Koran*, and firft introduced with the *Moghul* conqueft of *Hindoftan*, almoft 1000 years after; befides which perverfion of chronology, it was a criminal perverfion of one of the beft-underftood fundamental and facred principles of *Mahomedan* faith, for a *Muffulman* to acknowledge a right of territorial inheritance, independant of virtual fupreme authority, to be vefted in any *conquered infidel fubject*." Mr. *Roufe*, however, refts very much on

this evidence, though he admits "that if there ſhould be contradiction on ſimilar queries, propoſed even to other perſons *occupying their ſtations*, it would certainly weaken the firſt evidence; but if from the very perſons themſelves, would not only diſparage the firſt, but render the teſtimony of ſuch perſons altogether inadmiſſible *."

My private opinion was ſatisfied with Mr. *Grant*'s objection to the channel of inquiry; but having heard that ſimilar inquiry had been inſtituted, 1787, in the revenue department at *Calcutta*, by queſtions to perſons more or leſs under the diſqualification imputable to the reſpondents of 1773, and that ſimilar queſtions (I believe with an additional one) had been ſubmitted by Colonel *J. Murray*, for his own information, to ſome of the moſt reſpectable natives of *Hindoſtan*, whoſe ſituation and character placed them above ſuſpicion of intentional miſinformation, I was ſo lucky to obtain a copy of their anſwer in 1790,

* *Rouſe*'s Diſſertation, p. 133. *Stockdale*, 1791

consequently my opinion was strengthened; but from the above passage of Mr. *Rouse*'s book I should have believed that the other answers obtained by the *Bengal* government, in 1787, were not so conclusive to Mr. *Rouse*'s argument as those in 1773, otherwise he would have published them, instead of reprinting those answers * which Mr. *Francis* had published †, if he had not told us that he had "inspected all the material proceedings of the Company's administration at home and abroad, since 1773, any ways relating to *Zemindars*, (except some that may have arrived within this last twelvemonth) and I declare I have not seen any thing like the contradictions suggested by Mr. *Grant* ‡." Mr. *Grant*'s letter to Sir *John Shore* §, to which Mr. *Rouse*'s dissertation is an answer, ought to have directed Mr. *Rouse* to the examination of the *Bengal* revenue papers received in 1789 and 90, and he should have made *every* inquiry before he ventured to insi-

* *Rouse*'s Dissertation, Appendix, No. 8.

† Original minutes, p. 71. *Stockdale*, 1782.

‡ Dissertation, p. 134.

§ Inquiry into *Zemindary* tenures, Appendix, No. 3.

nuate " that Mr. *Grant* would ſeem to invite this country to retract its *plighted faith* in their favour*;" particularly as, in the page preceding, he had ſaid with candor, " I muſt do this gentleman (Mr. *Grant*) the credit to ſay, that his ſentiments are here delivered without any tincture of party ſpirit or perſonal invective, except only againſt the *Mahomedan* and *Hindoo* officers, whoſe opinions have been quoted by Mr. *Francis*." Leaving therefore the controverſy of theſe reſpectable and able gentlemen, I ſhall ſtate the anſwers above mentioned, which I conſider concluſive againſt the faſhionable definition of *Zemindar*: yet I am very far from imputing blame to the different adminiſtrations in *Bengal* for conſulting their native officers, under the impreſſions of caution. The opinions contained in the following papers, may be ſaid to evidence the opinion of the *Carnatic* and of the *Decan*, of *Oude* and of *Bengal*.

* Diſſertation, p. 22.

Translation of Eight Questions proposed by Colonel John Murray.

Question I.

Who is the proprietor of the land or soil; the *Hakim* (that is, the Governor) or the *Zemindar?*

Question II.

What is the origin of the jurisdiction, or authority of the *Zemindar?*

Question III.

What are the actual rights of the *Zemindar?*

Question IV.

What is the nature of the *Zemindar's* power and authority?

Question V.

What is the origin of the jurisdiction, the rights and power of the *Jageerdars?*

Queſtion VI.

What is the actual juriſdiction and authority of the *Talookdars?*

Queſtion VII.

In what manner uſed the *Zemindars* and *Talookdars* to diſcharge their ſeveral obligations of *Mal-guzari* and *Nal-bundi* to Government? and what was the nature of the ſervices rendered by *Jageerdars?*

Queſtion VIII.

What were the ancient limits and nature reſpectively of the juriſdiction, rights, and powers of *Zemindars*, *Talookdars*, and *Jageerdars?* how were the ſeveral claims of the ſtate as *Nal-bundi*, *Mal-guzari*, and *ſervices* aſcertained and regulated? and in what manner are theſe points at preſent ſettled?

N. B. The originals had been ſent by Colonel *Murray* to Mr. *Dundas* before I was favoured with the tranſlation.

Tranſlation of the Anſwers of his Highneſs the Nabob Amul ul Omrah *Heir Apparent of the* Carnatic *to the aforeſaid eight Queſtions.*

Anſwer to the Firſt Queſtion.

The proprietor of the ſoil is the King; the King conſtitutes the *Hakim* (or Governor) his deputy; the *Hakim* appoints the *Zemindar.*

Anſwer to the Second Queſtion.

The authority of the *Zemindar* is derived from the *Hakim*, and ſubſiſts as long as the latter pleaſes.

Anſwer to the Third Queſtion.

The actual rights of the *Zemindar* conſiſt in this; he brings waſte lands into cultivation; and the *Hakim* grants him for the ſame an exemption from taxes (that is, he holds ſuch lands tax free.)

Anſwer to the Fourth Queſtion.

The power and authority of the *Zemindar* have been already defined, he being as a ſervant of the *Hakim*.

Anſwer to the Fifth Queſtion.

The origin of the juriſdiction of *Jageerdars* is this: when a ſervant of the crown rendered any eminent ſervice, he *(uſually)* had a *Jageer* conferred upon him, which *Jageer* was conſidered in the ſame light as the ground forming the area of his houſe, and equally with that eſteemed his home or property ſo long, as he was not guilty of diſobedience or rebellion.

The Anſwer to the 6th, 7th, and 8th Queſtions is compreſſed by his Highneſs into his anſwer to the 6th.

All theſe (that is, all theſe various deſcriptions of perſons) are ſervants of the Crown: firſt, the *Hakim*, called alſo *Nawab*, or deputy; next, the *Talookdars*, otherwiſe *Turafdars*, to whoſe authority the *Zemindars* and *Jageerdars* are ſubject, in the

ſame manner as the *Talookdars* are ſubject to the authority of the *Hakim*, and as the *Hakim* is ſubject to the authority of the King: *in fine*, whatever orders, either King or *Hakim* iſſues, are as obligatory on the *Zemindars*, *Jageerdars*, and *Talookdars*, as the holy law.

Tranſlation of the Anſwer of Meer Abul Coſſim, *Ambaſſador from the* Nizam, *and* Meer Bend Ali, *a Native Judge in* Bengal, *to the aforeſaid Eight Queſtions.*

Anſwer to the Firſt Queſtion.

The proprietor of the ſoil is he who renders it flouriſhing, whether it be the *Reyut*, (that is, ſubject) by the permiſſion of the *Hakim*, or the *Hakim* himſelf. In the former caſe the Sovereign is entitled to tribute from the ſoil, as the price of protection: hence it follows that the Sovereign

can be ſaid to be entitled to tribute *only* when he effectually protects the ſubject from the oppreſſions and injuſtice of uſurpers or lawleſs tyrants.

Anſwer to the Second Queſtion.

The juriſdiction of the *Zemindar* is defined in the *Zemindary Sunnud*, or patent; and is juſt as extenſive as is therein expreſſed.

Anſwer to the Third Queſtion.

Theſe are alſo defined in the *Sunnuds*.

Anſwer to the Fourth Queſtion.

The powers of the *Zemindar* extend ſo far only as they are fixed by the *Hakim*'s authority: theſe are alſo ſtated in the *Sunnud*.

Anſwer to the Fifth Queſtion.

All the rights of the State or Crown, agreeably to the nature of the *Hakim*'s (perhaps it ſhould be the Sovereign's) bounty, are veſted in the *Jageerdar*.

Anſwer to the Sixth Queſtion.

Theſe points are all ſettled in the *Sunnud* of every *Talook*, from the terms of which it is not uſual to deviate.

Anſwer to the Seventh Queſtion.

Sunnuds were introduced in order to remove all doubtful points: all the particulars of theſe ſeveral heads are ſet forth in the *Sunnuds*, and alſo appear on the records: it is with the ſame view that written inſtruments are taken from perſons entering into engagements with Government.

Anſwer to the Eighth Queſtion.

In order fully to explain the uſages of former times, and of the preſent, it would be neceſſary to enter into a minute detail; nor is it practicable, without conſulting *Sunnuds* and *Muchelkehs*, (or engagements) to treat at all of ſuch intricate and contradictory matters in a narrow compaſs.

N. B. The character of the *Nizam's* Minifter is publicly known to be highly refpectable for ability and intelligence.

The character of the *native Judge* in *Bengal* is authenticated by a tranflation of the Teftimonial of Mr. *Petrie*, in *Perfian*.

Thefe are to certify, that *Meer Bundah Aly*, *Duroga*, of the *Calcutta Adawlut*, conducted the bufinefs both of the *Fouzdarry* and *Dewannee Adawluts*, during the whole time of my holding the office of Judge and Magiftrate, (till fucceeded by Mr. *Gladwin*) with propriety and great ability; and that I was well fatisfied with his conduct, which, as far as I know, gave general fatisfaction.

(Signed)

JOHN PETRIE.

October 29, 1785.

Calcutta, Jan. 18, 1786.

Meer Bundah Aly having requefted that I would perufe the above-written Teftimo-

nial, and certify what I know of his character and conduct, I think myself bound in justice to say, that, in my opinion, he fully merits all the praise which Mr. *Petrie* has given him. While *Chinsura* was under *British* Government, and I presided in the Court of Justice there, the late Mr. *Thomas Dugald Campbel* acted under me as *Zemindar* of *Chinsura*, and *Meer Bundah Aly* was his *Daroga*, in that capacity, as well as in the *Calcutta Dewannee Adaulut*; I had in that situation constant opportunity of hearing what the natives said of him, and of seeing the ability and temper with which he conducted business, and from what I have seen and heard of him, I think him a very fit man to be employed in the administration of justice.

(Signed)

ROBERT CHAMBERS.

Tranſlation of the Anſwer of Mahomed Abdul Speckoor Khan, *Governor of* Allahabad *in* Owde, *to the aforeſaid eight Queſtions.*

Anſwer to the Firſt Queſtion.

Formerly the *Rajahs* and *Zemindars* throughout the country were the proprietors of the lands, but ſince the reign of *Timur Shah* (*Tamerlane* is meant) the King has been the proprietor of the ſoil, and enjoyed the power of diſpoſſeſſing the *Zemindars* at his pleaſure.

Anſwer to the Second Queſtion.

The object of the juriſdiction of the *Zemindary office* is to promote induſtry among the *Reyuts.*

Anſwer to the Third Queſtion.

The *Zemindars*, who excite induſtry among their *Reyuts*, are entitled, in con-

ſideration thereof, for every *Bega (duely cultivated)* to two *Biſwahs*: or, as in ſome *Soubahs*, to a premium of five per cent.; and this reward is called *Nunkar*. They alſo are indulged by the *Aumils* with inconſiderable farms.

Anſwer to the Fourth Queſtion.

The authority of the *Zemindar* extends to the realizing of the dues of Government.

Anſwer to the Fifth Queſtion.

A *Jageer* is granted as a ſort of increaſe upon the ſalary of a ſervant.

Anſwer to the Sixth Queſtion.

Talookdars enjoy no ſort of rights; (that is, excluſive of particular rights) being of the claſs of farmers of the revenue.

Anſwer to the Seventh Queſtion.

The *Zemindars* and *Talookdars* uſed to account to Government for the *(ſettled)* taxes, leviable or due on the lands in cultivation; and the *Jageerdars*, in return for

the bounty they enjoyed in their *Jageers*, uſed to perform the duties of ſervice.

Anſwer to the Eighth Queſtion.

The rights of the *Zemindars*, in conſideration of their promoting the cultivation of the ſoil, were aſcertained *(in the manner before ſtated:)* but indigent and powerleſs *Zemindars* realize but a ſmall portion of their juſt claims; while ſuch as are refractory pay themſelves the amount of their *Nankar* out of their reſpective *Jummas*, and even keep back annually ſome part of the collections (in the form of balances.) The *Jageers* conferred upon *Jageerdars* were in conſideration of the duties of ſervice to be performed by them; at preſent the buſineſs aſſumes various forms: and as to the *Jageerdars*, all their *Jageers* have been reſumed.

CHAP. VIII.

WE are now arrived at the important period of the government of the Marquis *Cornwallis*, with Sir *John Shore* at the head of the revenue department: the firſt revenue meaſure appeared in the *Codes* for the general regulation of *Collectors* in the revenue department, and regulation in the adminiſtration of juſtice in the courts of *Dewannee Adaulut*, and in the *Fougedarry*, or criminal courts, publiſhed in 1787. Mr. *Grant*, in the office of *Seriſhtadar*, having begun to execute the revenue plan which Sir *John Macpherſon* had approved, on the information contained in the Analyſis of the Revenues of *Bengal*, and compiled by him in conformity to the act of 1784, *then* conſidered as the Parliamentary Charter of Rights to the natives of *Britiſh India**, it became neceſſary for Sir *John Shore* to introduce his

* Introduction to the Analyſis of Revenues of *Bengal*, MS.

plans on the investigation required by the act, before he superseded Mr. *Grant's* opinions, to which the new code of 1787 were not applied. The first question at issue was no less important than whether *Zemindars* were the legal real proprietors of the soil as landlords, or whether they were officers of the *Moghul*, collectors of the revenues in behalf of the sovereign proprietor of the soil? but it appears that the Board meant to justify, by the answers to certain queries, a *prejudged* opinion of the question itself.

The instruction of the Board to Mr. *Grant*, March, 1787, was, " to prepare and lay before the Board a series of queries for the purpose of ascertaining, as correctly as the nature of the subject will admit, what are the real jurisdictions, rights, and privileges of *Zemindars*, *Talookdars*, and *Jageerdars*, under the constitution and customs of the *Mahomedan* or *Hindoo* government, and what were the tributes, rents, and services, which they were bound to render and perform to the *Sovereign power*; and in like manner those

from the *Talookdars* to their immediate *Liege Lord* the *Zemindar*; and by what rule or ſtandard they were, or ought, ſeverally to be regulated." The obſervation of Mr. *Grant* on the mode the Board called on him to propound queſtions relative to the public revenue to intereſted individuals, and not to anſwer the queries officially connected with his department, appears in an appendix to the treatiſe he publiſhed in *London**. The queſtions which, as *Seriſhtadar*, he had anſwered, are the ſame to which the anſwers of different natives are detailed in the preceding pages. I refer to Mr. *Grant*'s anſwer as of the *firſt* authority; and it will at all times be found policy, by minute inveſtigation of intelligent covenanted ſervants, to ſuperſede the *neceſſity* of a public parade of ignorance; for, excluſive of the inconvenience which now exiſts from the erroneous deciſion of this queſtion in 1789, it may occaſion ſerious political inconvenience, by encouraging every dependant on the *Britiſh*

* Inquiry into *Zemindary* Tenures, Append. No. 3. p. 56. *Debrett*, 1790.

power, to institute claims, on our ignorance, incompatible with the rights and existence of the power of *Great Britain* in *British India*. The public, in the above-mentioned treatise * of Mr. *Grant*, the late *Serishtadar*, may examine the arguments which Sir *John Shore* rejected; and by perusing the treatise published by Mr. *Law* †, late a Member of the Council of Revenue in *Fort William*, may examine the arguments on which Sir *John Shore* adopted, in 1788, the *Mocurrerry* plan, ordered by Lord *Cornwallis* in 1789. It is sufficient for me to refer to these documents to justify my opinion of the investigation of 1788 and 1789, and it will not be disputed that the revenue and criminal regulations were published in *Bengal* in 1787, and that the definition of the persons to whom they applied was not decided in 1788, nor publicly determined before the date of the following order.

* Inquiry into *Zemindary* Tenures. *Debrett*, 1790.

† Sketch of the late arrangements in *Bengal*. *Stockdale*, 1792.

To John Shore, *Esq. President, and Member of the Board of Revenue.*

Rev. Dep.

Fort William, May 20th, 1789.

GENTLEMEN,

WITH a view to carry into execution the orders of the Court of Directors for a ſettlement of the *Bahar* province, we have thought it expedient to take the ſubject into our conſideration at this early period, that at the expiration of the *Fuſillee* year, in September next, the meaſure may be wholly accompliſhed, or, as far as practicable carried into execution.

Our inſtructions to the Collectors of *Bahar*, regarding the ſettlement of laſt year, were preparatory to the meaſure, and had a reference to it; we have accordingly paſſed the following reſolution, with a view to the final attainment of the intended object.

1st, That at the expiration of the present *Fusslee* year a new settlement of *Bahar* be concluded with the *Zemindars*, the *actual proprietors of the soil*, whether at present independent or dependent upon any other *Zemindars* paying their rents immediately to Government.

2nd, That the settlement be made for a period of *ten* years certain, with a notification that, if approved by the Court of Directors, it will become *permanent* and no farther alteration take place at the end of ten years.

3rd, That the *Jumma* which each *Zemindar* is to pay, be fixed by the Collector, with the reserve of the approbation of the Board of Revenue, on fair and equitable principles, according to the best accounts which he can procure of the value of the lands, *without* a *measurement* of them; that if he should deem it eligible, he may call upon the *Zemindars* to deliver in proposals for renting their lands, but that his *judgement* is to determine the amount.

4th, That the *Gunges* be not included in any ſettlement with any *Zemindar*, but that, for the preſent, they remain under the excluſive juriſdiction of an officer appointed by the Collector, who is to propoſe ſuch regulations as he may think beſt calculated for regulating and fixing the duties.

5th, That the *Jumma* of each *Zemindar*, being aſſeſſed, the amount thereof ſhall be apportioned by the different villages in it, if poſſible, previous to the concluſion of the *Sudder Jumma*, either by the *Zemindar*, who is to be required to make this diſtribution, or *Collector*; or ſubſequent thereto, under a clauſe binding each *Zemindar* to deliver in an account of the aſſeſſment on the villages apportioned to the *Sudder Jumma* within three months from the ſignature of the *Cabooliat*.

6th, That if there are villages of which there are *no proprietors*, the ſettlement of them be made as above with a farmer.

7th, That the *Sudder Kiſtbundy* be ſo regulated as to afford the *Zemindars* all poſ-

ſible convenience on the diſcharge of their rents, with a due regard to the ſecurity of Government, and that the Collector report whether any, and what, inconvenience would enſue from extending the period of the *Sudder* and *Moſuſſil Kiſtbundy* to two months inſtead of one.

8th, That the Collector do alſo eſtabliſh the *Moſuſſil Kiſtbundy* in ſuch a form as may be moſt convenient for the *Reyuts*, without riſking the ſecurity of their payment to Government.

9th, That as the number of renters paying revenue immediately to Government may, in conſequence of framing a ſettlement with the *Zemindars*, be greatly increaſed, the Collectors report if it will be neceſſary and adviſeable to appoint *Tehſildars* to receive the revenues from a certain number of the landholders, and whether any, and what, additional expence will be required on this account.

10th, That every *Zemindar*, or *Talookdar*, who is a minor or female, be declared

incapable of having any concern whatever in the management of the revenues, and that no engagements for the payment thereof be contracted with any *Zemindar* under this defcription.

The management of the revenues of *Zemindars* who are minors or females, fhall be affigned to a perfon efpecially appointed by Government for this truft, to be denominated *Serbuzacar*, or Manager, who, previous to the receipt of his commiffion, is to execute an obligation binding himfelf to a faithful difcharge of the duties affigned to him, and no farther.

The Manager is to be chofen by the Collector, fubject to the approbation of the Board of Revenue, and his commiffion is to be figned by the Collector, and to be authenticated by the official feal. In recommending the perfon to this truft, the following confiderations are to be obferved:

In the firft inftance, a near relation of the *Zemindar* is to be preferred to all others; in the fecond, a creditable fervant of the

family; and in the laſt reſort, a perſon unconnected with it: capacity for the buſineſs is underſtood to be a neceſſary qualification, and to be particularly attended to in determining the preference.

Lunacy, contumacy, or notorious profligacy of character, are to be deemed diſqualifications of a *Zemindar*, and the ſettlement, in ſuch caſes, is to be regulated by the proviſions above laid down with regard to the lands of minors and females; but no *Zemindar* is to be excluded for any of the diſqualifications mentioned in this article without the previous approbation of the Governor General in Council.

11th, That the engagements with the *Zemindars* and *Farmers* be made for *Sicca* rupees, and in order to obviate any inconvenience which may ariſe from there not being a ſufficient number of *Sicca* rupees in circulation for the payment of the revenues, that the farmers and *Zemindars* be allowed, till the expiration of the *Fuſillee* year, 1197, the option of paying their rents in *Siccas*, or in *Sonauts* at the *Batta*

at which the latter are reduced into *Siccas* in the treafury account of the Collector. That the Collectors do either remit fuch *Sonaut* to the Prefidency, or in the event of their being obliged to pay them away to anfwer bills drawn on them in *Siccas*, they infert in their treafury accounts the profits or lofs, or on the difpofal of them, under the head of profit and lofs on exchange. That after the expiration of the year 1197 no other rupees except *Siccas* be received at the treafuries of the Collectors, it being the intention of Government to put a ftop to the currency of every other fpecies of rupees by that period.

We direct that the above refolutions be tranfmitted to the Collectors of *Bahar*, and that they be directed to prepare for the formation of a fettlement accordingly, to the prefcriptions of them, advifing you by the end of June, if any objections fhould occur to any of them, either as to the propriety or practicability of them, to fubmit, with fuch objections, any other propofitions which they may deem more eligible.

This ten years ſettlement, and new definition of perſons, deliberately reſolved on, were publiſhed, *Zemindars* were invited to ſubſcribe to it, but ſcarce had they reached the more diſtant ſtations than they were followed by orders cancelling parts of the agreement; for Government found, by the experience of three months, ſtrong objections which ought to have been foreſeen by a curſory view of the proceedings of the revenue departments referred to in the above order, and particularly by the correſpondence of Sir *John Shore* and Mr. *Law* *. The firſt operation of the article † affecting *Abſentees* appeared in the accounts *Havillee Bahar*, in thoſe diſtricts of *Bahar* in which the *Mocurrerry* ſettlement had then taken place: the newly defined proprietors were diſpoſſeſſed *ſolely* on account of their abſence; of 70 villages, conſiſting of 22,452 *Begas*, aſſeſſed at 18,535 rupees; and 40 villages of 10,760 *Begas*, aſſeſſed at 10,569 rupees, were *refuſed* by the *proprietors* on the conditions offered by

* Sketch of late Arrangements. *Stockdale*, 1792.
† *Ibid.* p. 117.

the Collector; and 4 villages, consisting of 2,679 *Begas*, assessed at 773 rupees, were taken from proprietors without any cause assigned; and in other parts of the return the detail was by no means sufficiently explained. Sir *John Shore* could not withstand public opinion, supported by such official evidence, and he confessed that the *Mocurrerry* plan, professing to establish *hereditary estates* with *fixed rents* *, in practice, established an *Ideal* permanency; that the rules which he had deemed adequate to secure *Zemindars* in their rights, and the *Reyuts* from oppression, though numerous, had proved indefinite and arbitrary; that the undefined relation of *Zemindars* with *Talookdars* and *Reyuts*, which he conceived would have been settled by defining the relation of *Zemindar* to the *sovereign*, and by leaving the *Zemindar* to settle with the dependants on his landed property, had brought forward cases which the Revenue Board were unable to understand or define;

* Sketch of late Arrangements; Mr. *Law*'s Letter to *John Shore*, Esq. President, and Members of the Board of Revenue, p. 48.

and in *common* cafes the want of *data* precluded decifion on principles of *juftice* and *policy*; and that uncertain decifion led invariably either to diminution of revenue, or to confirmation of oppreffive exaction; that he was therefore convinced, if the *Zemindars* were left to make their arrangements with the *Reyuts*, which was the *fundamental principle* of the *Mocurrerry* plan, the confufion could never be adjufted. In this dilemma, Sir *John Shore* recommended that the ten years fettlement, promulgated to the country as permanent, fhould be confidered by Government as a period of experiment; if it fhould be found impracticable to collect *the tribute* under the acknowledged inequality of affeffment, a due diftribution of it might prevent the diminution of revenue; that the *new principle* would be better introduced by degrees than eftablifhed beyond the power of revocation, but that during the ten years the *affeffment* at *all events* fhould be *unalterable*; that he was not forry Mr. *Law*'s plan had been executed, as the experiment would lead to farther experience, which may affift in determining the general quef-

tion; but he was convinced that many consequences of the plan appeared in a different light in practice than they appeared to him when under discussion; and on the whole, that the fundamental principle of the plan, if confirmed, *must* be corrected by *annulling* the parts which have a direct tendancy to subvert it, and Government must submit to rescind what it has approved*. I trace Sir *John Shore*'s exploded opinions, supported in *England* by documents, for which Mr. *Rouse* acknowledges his obligation to Sir *John Shore* in his answer to Mr. *Grant*'s Inquiry into *Zemindary* Tenures †. It is no part of my investigation to ascertain in what degree Lord *Cornwallis* was embarrassed when Sir *John Shore* left him to amend his acknowledged errors; I make no doubt, all the circumstances were considered; otherwise he would not have been recommended to the honourable marks of Royal favour, and sent back to *India* as successor to the

* Substance of Sir *John Shore*'s Minute, 8th Dec. 1789.

† Mr. *Rouse*'s Dissertation, 1790.

Marquis *Cornwallis*; but while the public opinion in *England* was reconciled to the definition of the *Zemindar* actual proprietor and liege lord, by the learned dissertation of the Secretary of the Board of Control, the opinion of that measure in *India* may be collected from the Dedication of *Agricola*'s Letters to *Thomas Graham*, Esq. President of the Board of Revenue *, in the following extract:

" When I first committed my sentiments to the public on the finance of this country, I little expected the important decision regarding the *Zemindars*' proprietary rights in the soil would be so soon passed, or I should have forborne treating of the subject, or endeavoured to do it on a plan consonant to such decision. I shall avoid giving my opinion at present on the propriety or necessity of such an acknowledgement on our part, nor is it any longer necessary to investigate their claims to it,

* General Observations of the Mode of Assessing and levying the Land Tax, by *Agricola*. *Calcutta*, 1791.

but permit me to obſerve, that the nature of their *preſent* tenures has wholly changed their relation to the Company, and that this change involves a queſtion of the higheſt importance to their intereſts. Before I hazard any deciſive opinion on the above, permit me to aſk, whether our ſyſtem of finance is not wholly founded on the contrary idea, viz. "that the *Zemindars* are not the proprietors of the ſoil; at leaſt I can view it in no other light: I have endeavoured to expoſe the ſeverity and impolicy of our conduct, even under that conſtruction of their privileges, but I, even now, queſtion whether the terms injuſtice and violence are not more applicable and expreſſive of it.

"Mr. *Law*, in his *Mocurrerry* plan, has tacitly denied the *Zemindars'* proprietary rights in the ſoil, and I am induced to attribute the many inconſiſtencies which he has fallen into, to the difficulty of acknowledging ſuch rights without adopting an entire new ſyſtem; for it will clearly appear, if their rights be admitted, that all our regulations are diametrically in op-

poſition to their exerciſe thereof. If the *Zemindars* are the proprietors of the ſoil, may I aſk Mr. *Law* on what authority or title he claims about one ſixth of the country as Crown land before we even inveſted them with this nominal right? we never conſidered the cultivated and uncultivated lands as the property of different perſons, and under the *Moghul* government the *Zemindars* were aſſeſſed for both alike; a plan which ſtrikes me to have equity and good policy for its principle, and which I have adopted. Notwithſtanding Mr. *Law* has made this curious reſervation, he yet talks of the advantage the *Zemindars* are to derive from the increaſed cultivation of their eſtates, which leaves a doubt of his meaning when he ſpeaks of Crown lands.

" I cannot but regret that the *Zemindars* are declared the proprietors of the ſoil, as it muſt prove an almoſt inſurmountable obſtacle to ſecure the *Reyuts* from oppreſſion, without a continued infringement of their privileges, of which, no doubt, they will become highly *jealous*, whenever they come to underſtand more fully the mean-

ing of property, and the inconteſtible rights annexed thereto, and ſecured by *Britiſh* laws. For my part, I think they would be juſtified in appealing, on almoſt every exiſting regulation, to the Courts at home, and doubt not but they would cauſe them to be done away, and recover heavy damages of the Company.

" I am fully perſuaded we had the ſame authority for conſidering many claſſes of *Reyuts* proprietors of the ſoil, and the benefits to be looked for from ſuch a meaſure far exceed thoſe we can derive from that of declaring the *Zemindars* and a few *Talookdars* the *only* proprietors; nor would ſuch a declaration have involved us in ſo many inconſiſtencies in making a ſettlement for the revenues: but had we not taken ſuch an unproductive ſtep, we ſhould have been at liberty to divide the country into moderate portions, and to ſelect the moſt competent and deſerving perſons for farmers, to the improvement of the revenues and ſecurity of the *Reyuts*; we could have raiſed a numerous claſs of reputable yeomanry, inſtead of aggrandizing *a few*, at

the expence of *hundreds* of *thousands*; we have now blasted the prospect of exciting emulation and industry; we should then have had real Crown lands to look to for a future increase of revenue. It is a ridiculous idea, to talk in the same breath of assessing a country at a permanent amount, and yet subject the people to unknown exactions, under the plea of political necessity. A little attention to the fluctuation of the value of money, in the course of a few years, will shew the falacy of a fixed and permanent rate of assessment on land in this country, where every other resource is so cramped and limited, or, I may say, where there is no other. An insuperable objection to Mr. *Law*'s plan is, that it subjects the interests of thousands to the caprice of one, and is, in fact, inconsistent with the object aimed at."

Having found the difficulty of comprehending the outlines of general policy in the plans for *India*, I at least had given credit to their local information; but it is impossible to explain the acknowledged errors of the settlement of 1789, without

ſuppoſing the Revenue Board ignorant of the *Moſuſſil* management, and that they had proceeded on mere reference to a bundle of *Sudder Tauhoods* without recollecting that the *Talookdars* were, nine out of ten, oppreſſed by the *Zemindars* *. The corrective meaſures adopted by Lord *Cornwallis appear* to be founded on Sir *John Shore*'s Minute, and Mr. *Law*'s zeal, combined with information publiſhed by *Agricola.* The firſt innovation of the ſettlement of *Bahar*, 1789, was introduced with the ſettlement of *Bengal*, ordered *not* to be made with *Muſcoory Talookdars* paying through *Zemindars*, but with *Zemindars*: the diſtinction *Muſcoory Talookdar* was found to be *cauſeleſs*, and at length exploded †, and they were declared *actual proprietors of the ſoil* compoſing their *Talooks*; and to produce unity of ſyſtem, this diſcovery was extended to the ſettlement of *Bahar.*

The regulations relative to *Sair* or internal duties, were paſſed by the Governor

* *Agricola,* Letter 22.

† Sketch of late Arrangements, p. 48 and p. 242.

in council in June, 1790*; they reſumed *Gunges*, *Bazars*, and *Hauts*, which had been included in all former ſettlements, and *compenſation* was ordered, amounting to one tenth of the net receipts, to the *Zemindars* and holders of *Malgoozary* lands, who had been permitted to collect thoſe duties as part of their ſettlement; and *officers* were appointed by Government to collect the duties in the *Gunges*, *Bazars*, and *Hauts*, in the *Malgoozary* and rent-free lands†. The *Sair* duties, including *Aboabs*, were aboliſhed, with the exception in behalf of Government of *Calcutta* and government cuſtoms; the duties levied on pilgrims, at *Gya* and other places of pilgrimage; the *Akberry*, or tax on ſpirituous liquors; and the collections made in the *Gunges*, *Bazars*, and *Hauts*, ſituated in the limits of *Calcutta*, and with the exception in behalf of the *actual proprietors*, according to the publiſhed reſolutions of 11th June, 1790, of *Aboabs*, denominated in the *Sair* account *Phulker*, *Bunker*, and *Jul-*

* Sketch of late Arrangements, p. 245.
† *Ibid*, p. 257.

ker; tax on houſes, ſhops, orchards, paſture ground, and fiſheries, denominated by the ſaid order as of the *nature* of *rents* and proper objects of *unauthoriſed* taxation *; but it appears that the extent of theſe reſumptions was not underſtood; ſome were aſſumed and relinquiſhed half a dozen times in the firſt year, to render them compatible with the rule of Government's limited infraction of its ſolemn declaration in the preceding year †; theſe difficulties not only delayed the ſettlement many months, but cauſed a general diffidence in the country, and convinced the *Zemindars* that the propoſed *Bundebuſt* could not be permanent. Government was equally embarraſſed, for having deviated from the principle of the ſettlement of 1789, it became neceſſary to change the regulations of 1787, to render them applicable to the purpoſes of revenue and criminal judicature in the *Bengal* provinces; the amended code was publiſhed in November, 1791, and farther amendments were ſtill wanting, which will

* Sketch of late Arrangements, p. 258.

† *Agricola*, Letter 22, p. 137.

oblige me to explain the progreſs of *Britiſh* judicature in *Bengal*.

CHAP. IX.

The Progreſs of Courts of Judicature in Britiſh India.

IT will be remembered a Mayor's Court at *Calcutta*, ſuch as it now exiſts at *Madraſs* and *Bombay*, by royal charter, had been found adequate to the purpoſes of juſtice and police previous to 1757, the period at which the Company was obliged to apply to the King for powers to reſent injuſtice, and to recover from the uſurpers of the *Mogul*'s power the privileges which had been granted to the Company by the *Mogul*. The *King* of *Great Britain* granted to the Company in 1757 his right to the plunder and booty of warfare; and the ſucceſſes of the Company not only repaid their loſſes, but rendered them the moſt

powerful among the uſurpers; and the *Mogul* finding it impoſſible to reinſtate himſelf in the *Bengal* provinces without the aid of the *Engliſh*, threw himſelf under their protection; they pleaded their faith to uſurpers whom they had ſupported, and the *Mogul* was under the neceſſity of ſigning the partition of his empire in the manner which Lord *Clive* dictated, judiciouſly and politically ſtated according to the circumſtances of the *Engliſh* at that period, with a view of eſtabliſhing the empire of *Britiſh India*; but fooliſhly and unjuſtly, if *Delhi* and *Allahabad* is permitted to become an hoſtile inſtead of a friendly barrier; and if *Oude*, inſtead of a powerful dependant, becomes an oppreſſed or an independant power. The northern defence being ſecured by Lord *Clive*'s partition, and the north-weſt barrier of *Bengal* being in the hands of independant *Rajahs*, who had preferred their faſtneſſes with limited diſtricts to ſubmiſſion to *Mahomedan* or *Mahratta* government, required no change; the *Circars* were at that time important, from being the quarter in which the *French* could practiſe the leſſon which the *Engliſh*

had ſo aptly learnt. They were not re-ſponſible to the prejudices and conſtitu-tional jealouſy of a free government, but they were bent on attaining power in *India*, and it ſuited the *Britiſh* policy to grovel with the Company's agency, under native grants or as allies, to rout the *French* in the *Circars* as allies to the *Nizam*, rather than to reſiſt and defeat the policy of *France*, by a general war. The grant of the *Circars* by the *Mogul* was made a paramount legal title to its ſovereignty, and was eſtabliſhed alſo by the *Britiſh* army; but the *Mogul's* grant of the *Bengal* provinces was framed to be compatible with the Company's *European* and *Indian* intereſt, and apparently with their engagements to the *Nabob* whom they had made. The Company became *Dewans*, or receivers of the Sovereign's revenues, not accountable to the *Mogul*, to cover by that nominal office whatever revenue they could not ſtate as *plunder* and *booty* in their account with the King of *Great Britain*, and having got the purſe, they were not inclined to let others participate of the fiction; they ſet-tled a penſion on their *Nabob*, and ap-

pointed an intelligent native to execute the functions of *Nazim*; from which period the ſovereignty has been excluſively in the *Engliſh*. The Company might have cheated the ſtate if their ſervants could have been permitted to adopt ſimilar definitions; they had ſeen the profit of monopoly and inland trade, which they knew to be diſtinct from territorial revenue, or the Company's commerce, and thought it reaſonable that they ſhould enjoy them as perquiſites under the veil of the native government; the chief ſervants, civil and military, therefore entered openly and largely in mercantile concerns, with the powers of government to enforce privilege of monopoly. The Company was unable to control their principal ſervants; their principal ſervants were unable to control thoſe who were not their partners; and the Company could not proceed without applying to Parliament: this neceſſity may be adduced as a political leſſon, and in confirmation of the excellence of the *Britiſh* conſtitution, which poſſeſſes in itſelf the principles of renovation and ſelf-correction, whenever the temper of the times or the

neceffity of particular cafes force its fubjects to appeal to conftitutional principles.

At the period the above-mentioned minute * was entered on their proceedings, Lord *Clive* and the Select Council told the Directors † they were become " the Sovereigns of a rich and potent kingdom;" " not only the collectors, but the proprietors, of the *Nabob*'s dominions." Governor *Holwell* made them remember that the plunder of the provinces during the decay of the *Mogul* government had been divided between the *Soubah* and the *Dewan*, and that the *Soubah* had the lion's fhare. The Company appeared to approve the idea of retaining the whole legal and illegal profits, by taking the *Mogul*'s fhare as *Dewan* under his grant, and alfo the *Soubah*'s exactions, and the *Dewan*'s peculations, together with the *whole* yearly produce of the country. Governor *Holwell*'s valuation above ftated ‡ has been reckoned much

* Page 308, 28th October, 1765.
† Letter from *Fort William*, 30th September, 1765.
‡ Page 316.

exaggerated, but if confidered as the whole yearly produce, will not appear either high or very inaccurate.

The Company thus obliged to apply to Parliament, and convinced that the temporary expediency of the veil of native adminiftration could not be rendered permanent or effectual, determined, in 1771, to ftand forth as *Dewans*, and to realife a fubfidy equal to the whole refources of the country, as before ftated *. The act of 1773 went much farther than the Company wifhed; and the application of its powers not only gave rife to differences between the judges and the government in *India*, but between the Governor General and his Council, during which period every circumftance tended to delay the eftablifhment of good order and of effective control. When the Company appointed *fupervifors* in *Bengal*, the revenue and adminiftration of juftice was vefted in them; a Council of Control at *Moorfhedabad* and one at *Dacca* were ap-

* Page 338.

pointed to control the collectors, and these were ſubordinate to the Supreme Council of the Preſidency. On the paſſing the act of 1773, the *Khalſa*, or head revenue court, was moved from *Moorſhedabad* to *Calcutta*, and the two provincial councils of control were aboliſhed, and the whole control veſted in the Council of *Calcutta*. If the parliamentary promiſe, which I have called the *Charter of Britiſh India* *, is not dead letter, the caſe of *Nundcomar* need not be preſented to excite contrition; eloquence and ability have not been wanting to repreſent it to the feelings of *Great Britain*, but I much queſtion whether *Britiſh* judicature would not have been left to its courſe, if fortunately it had not alſo impeded the current buſineſs of the revenue, as the letters of Mr. *Haſtings* † and thoſe of Mr. *Francis* above ſtated teſtify ‡. It is propoſed to ſhew in what manner the ſupreme government got rid of the ſupreme judicature, and induced Par-

* Page 135.

† Letter from the Governor General to the Directors, January 1776.

‡ Page 346.

liament to consent to emancipate the revenue and the natives of *India* from *British* law.

In 1774 the collectors were recalled, and the districts divided, and provincial councils established at *Moorshedabad*, *Dignapore*, *Dacca*, *Burdwan*, *Patna*, and *Calcutta*, and the administration of justice in a Member of Council by rotation. The new system of management, of a single superintending Committee stationed at the Presidency, with the additional charge of seven lacks, connected with the establishments of *Dewanny Adaulet* amounting to six lacks more, evidently intended to establish a Court of Exchequer according to the *Mogul* system, totally distinct from other tribunals of the empire, and to extend the forms of its civil jurisdiction over all natives paying *rent* or *duties*; it was obvious to those who understood *India* that nine tenths of the people came under this description, classed either as farming landholders or manufacturing *Reyuts*; by supporting this distinction the warrants and writs of the Supreme Court became use-

lefs, and two or three cafes were fufficient to fhew that *Britifh* law adminiftered to the natives, without attention to their cuftoms and opinions, would prove intollerable. I have already obferved* in what degree, by the act of 1781, Parliament reduced the jurifdiction of the Supreme Court of Judicature, on the general opinion of *Britifh* ftatute law being inapplicable to the manners of the Eaft; it only remains to ftate the modifications of the native courts, profeffedly to connect the adminiftration of juftice of the country with the realization of the revenues.

It was propofed in 1770 to veft the revenue caufes exclufively in the Provincial Council, and thereby diftinguifh the jurifdiction of revenue caufes from the jurifdiction of the Civil Court of *Dewannee Adaulet* and *Fougedarry* or Criminal Court, both newly modelled; but the acknowledged oppreffion of the *Reyuts* or *Pottah holders* was fo great, that Mr. *Haftings* appears to have thought it impoffible for the

* Page 346.

provincial council to do them juſtice and manage the collections, and therefore to have given the cognizance of exactions not warranted by *Pottahs* or leaſes to the court *Adaulet Dewannee Zillagaut* *. In 1780 the adminiſtration of juſtice was ſeparated from the control of the revenues; but in ſome diſtricts, as at *Chittrah*, *Boglepore*, *Iſlamabad*, and *Rungpore*, the collectors for the time being were made the judges in the courts *Mofuſſil Dewannee Adaulet* in 1781, the period of the increaſe of the courts of *Adaulet* and of the eſtabliſhment, which continued during Mr. *Haſtings*' adminiſtration; it would therefore appear that the juſtice of the country was ſufficiently dependant on the revenue, but it did not prove ſo: the criminal juriſdiction had been at all times diſtinct from the civil, and a collector, alſo judge, both of civil and revenue cauſes, might be embarraſſed by the *chicanery* of the *Fougedarry* or *Nizam*'s courts, if a native chanced to incur the penalties or wilfully claimed the juriſdiction of the criminal court to avoid op-

* Plans for *Britiſh India*, p. 114.

preſſion or complicated civil proceſs. It was by no means impoſſible that one manufacturer, being alſo cultivator of land, as they moſtly are, might have a *Peon* in purſuit of him at the ſuit of the receiver for rent; another on a civil ſuit in the *Dewannee Adaulet*, of which the collector was judge; another at the ſuit of the commercial agent, for the produce of his labor as manufacturer, to which private *Britiſh* and foreign companies, and individuals alſo, often inſtituted concurrent claim, on account of their advances of caſh to the manufacturer, which they followed up by arreſt, on their own authority, though generally under the claim of privileges, exerciſed under the *Phirmaund* of the *Mogul*. It is clear that half-finiſhed clothes cut from the loom cannot ſatisfy the juſt claims of the trader, and that it matters not whether an exchequer, or a civil or a criminal meſſenger, arreſts, ſuch delinquent muſt be ruined, and the adminiſtration of juſtice is endangered either by its ſubſerviency to revenue, or by oppreſſive and indefinite concurrent juriſdictions, incompatible with *European* or *Mahomedan* policy.

When Parliament had curtailed the pretensions of the Supreme Court of Judicature in 1781, these embarrassments in the native courts were considered; the *Fougedarry* and *Tannadary* establishments were abolished; and *civil* judges, being Company's covenanted servants, were appointed to act as magistrates, to apprehend persons charged with the commission of wrong, or crimes, or acts of violence, but were required to make reports unto a department of the Presidency under the control of the Governor General *; and in this state the courts remained till 1787, when, according to Sir *John Shore*'s system, the collectors were made judges of *Dewannee Adaulet*, and magistrates with *Fougedarry* jurisdiction, judges of petty criminal causes, to inflict corporal punishment, or to impose fines on the offenders †; and his power extended to the commitment of *Zemindars* or landholders for breach of the peace, or *connivance at the same* ‡. This gave the full

* Plans for *British India*, p. 395.

† *Ibid.* 396.

‡ Art. 13 Regulation of *Fougedarry* or Criminal Courts. *Calcutta*, 1787.

meaſure of power to the collector of revenue, making him party and judge in revenue cauſes, and uniting in his perſon all the civil, and great part of the criminal, juſtice of his diſtrict; but the juriſdiction of the *Nazi n* was ſtill oſtenſible, for the magiſtrate arreſted, and muſt ſend to jail, but he had not permiſſion to releaſe him if the examination convinced him of the priſoner's innocence *. By the regulations of 1787 the collector was to become a check on the *Fougedar*, or *Nazim*, and the collector's repreſentations againſt his neglect were to be tranſmitted to the Governor General, who was to repreſent thereon to the *Nazim* †: the reports of the *Fougedarry* collectors ſoon convinced the Marquis *Cornwallis* of the neceſſity of more prompt and impartial juſtice, and he propoſed the meaſure of removing the *Nizamut Adaulet*, or chief criminal court, from *Moorſhedabad* to *Calcutta*, and to inſtitute *courts* of *circuit*, three for *Bengal* and one for *Bahar*; each

* Sketch of late Arrangements, p. xxi. Mr. *Law's* note.

† Tenth Regulation of *Fougedarry* or Criminal Court, 1787.

court ſuperintended by two covenanted ſervants, aſſiſted by a *Caunee* and *Muſti*; and by the preſent act, the Supreme Court of Judicature is to iſſue commiſſions of the peace, and juſtices ſo appointed may ſit alſo in the courts of *Oyer* and *Terminer* *, and the juſtices may aſſociate with the judges in cauſes appealed; conſequently, if the collector ſhall be juſtice of the peace in addition to his other powers, as *juſtice* he will ſit in the court of *Oyer* and *Terminer* to execute the law of *England*; and if he remembers the 21ſt of Geo. III. cap. 70, ſec. 7, he will be able to elude the poſſibility of an appeal laying either in *Britiſh* or native courts; for it is there enacted, "that the ſaid ſupreme court ſhall not have, or exerciſe, any juriſdiction in any matter concerning the revenue, or concerning any act or acts ordered or done in the collection thereof, according to the uſage of the country or the regulations of the Governor General and Council."

I refer to the lateſt information, which

* Plans for *Britiſh India*, p. 132.

has been publiſhed by the permiſſion of the Board of Control this year*, in which Mr. *Bruce* has ſtated the regulations of 1787, and the amended code of 1791; I was rather ſurpriſed to ſee the code of 1787 ſo ſoon amended, and notwithſtanding I remembered Governor *Holwell's* opinion, that a collector had ſufficient buſineſs if he attended to his duty of collector †, I did not conceive it poſſible for any ſyſtem to have occaſioned ſuch complicated buſineſs, as appears by the *returns from the diſtricts* to the Revenue Board at *Calcutta* in December 1791; at which period the undecided cauſes amounted to *ſeventy-ſeven thouſand*, excluſive of *Mhal* cauſes, and diſputes between *Reyut* and *Reyut*, and between *Zemindar*, or *Renter*, and *Reyut*; and alſo excluſive of cauſes in the *Fougedarry* departments, all which were *then* under the collector, together with his collection. It is expected the powers of the *Naib Nazim*, as head of the *Nizamut*

* Plans for *Britiſh India*, part 2, ſec. 2. *Debrett*, 1793.

† Page 318.

Adaulet, being veſted in the Governor General and Supreme Council, aſſiſted by the *Cauzee ul Cozaat*, or head *Mahomedan* judge, and two *Mufties*, will be able to reviſe all the proceedings of criminal caſes tried before the Courts of Circuit previous to the execution of judgement: and that a farther amended code, in 1793, will amend the two former codes publiſhed ſince Lord *Cornwallis*'s arrival at *Calcutta*; the Collector muſt then again define his Exchequer authority, and the civil and criminal juriſdictions will be again ſeparated; the regulations may define the ſeveral juriſdictions with accuracy; they did ſo before they were univerſally united in the collector in 1787; but the caſes were ſo blended in practice, that it was, and will continue to be, impoſſible to claſs them, and determine to which tribunal they belong. It is not ſuppoſed that the Supreme Board of Judicature can be again thought of as a ſubſtitute for thoſe defects of revenue judicature; that court remains under the preſent act as it ſtood ſince the act of 1781, with the addition of being now made a court of

admiralty, and will iſſue commiſſions of the peace ordered by the Governor General; with ſome encouragement, the old conteſt for juriſdiction might be revived, and an act of indemnity would again be neceſſary; but the conſequence which Lord *Clive* predicted * is not likely to ariſe, if the Court of Directors, who are deemed by Parliament competent to ſelect governors, ſhall acquieſce in the pretenſions of that court to refuſe a barriſter the benefit of their licence without a reaſon aſſigned; ſo long as the Supreme Court of Judicature exiſts, reference to the Chief Juſtice of the King's Bench ſhould ſanction the licence of Directors, without which no one ſhould practiſe *Engliſh law* in *India*; the judges in *Bengal* ſhould be reſponſible for the purity of the practice in their Court: but "Sciant Judices ſe jus dicere, non dare, Leges interpretari, non condere †." We are at preſent in no danger from *Britiſh* or from *Hindoo* law, but we are likely to become adepts in the *Mahomedan* law.

* Page 309. † Bacon.

When we refer to the *Koran* as the universal code, we cannot be supposed to look for a definite rule; a celebrated writer * informs us, the substance of the *Koran*, uncreated and eternal, brought from heaven by the angel *Gabriel*, was revealed in scraps by *Mahomed* according as it suited his policy or passion; they were collected two years after his death and published; and the sacred volume, in all its various editions, boasts the miraculous privilege of an uniform and uncorruptible text. At the end of 200 years the *Sonna*, or oral law, preserved by his wives and companions, was fixed and consecrated by the labours of *Al Bochari*, who discriminated 7275 genuine traditions from a mass of 300,000 reports of more doubtful or spurious character; the work has been approved by the four orthodox sects of *Sonnites*. It appears that we have selected the commentary of *Mohumed* and *Yuzef*; we are told † that for thirty years we had wavered

* *Gibbon*'s Decline of the *Roman* Empire, Vol. V. Cap. 50.

† Plans for *British India*, p. 403.

between their doctrine which made the intention; the criterion of guilt; and *Aboo Huneefa*, who made the manner or instruments with which murder was committed; the rule of determining the punishment, and that the question had been lately determined by turning *Aboo* out of court. On later information of Sir *William Jones*, we are referred to *Al Serajiyah*; as before stated *; who declares his dissent to certain doctrines, as incompatible with justice and with the doctrines of *Omar* and of *Ali*. I am very well convinced that no honest follower of *Omar*, or of *Ali*, though required by act of Parliament to take the prescribed oath every six days instead of every six months, would put it in competition with the fundamental principles of the law of *Mahomed*, or sentence to death if the heir pardons; much less shall we have from the follower of *Omar* a tear of pity, such as *Mahomed* shed over the tomb of his mother, for whom he was forbidden to pray; though by his faith he must continue to believe the *British* conqueror doomed to the lowest abyss of everlasting

* Introduction, page iv.

torments. We might expect better chance from the twelve *Imaums*, or heads of faith, deduced from *Fatima*, the daughter of *Mahomed*, given in marriage to *Ali*, whose followers, more tolerant, acknowledge the scriptures, but deny the divinity of Christ, and firmly believe all nations will be converted to *Mahomedism* on the day of judgement *. Even chequering the jurisdiction of *Mussulmen* and *Hindoos* by making *Mussulmen* collect from *Durburtur* and *Bermuttur* lands †, and *Hindoos* collect from *Khyuat* lands, may vex, but would fail in effect, if the tax is not defined with justice, and abuse controlled with vigour.

The humanity of *Akbar*, in a variety of codes, enumerated in the *Ayeen Akberry*, recorded special grants to different classes of subjects whom he governed; by humanity and policy he softened the independant spirit of fanaticism with which the *Mahomedan* religion, destitute of priesthood or sa-

* *Franklin*'s Tour from *Bengal* to *Persia*, p. 74, 1788.

† *Agricola*'s Letters.

crifice, looked down on the ſlaves of ſuperſtition. There can be no doubt but the Parliament of *Great Britain*, conſiſtently with the principles of a free conſtitution and the influence of Chriſtianity, may from the code of *Akbar* ſelect the rule, and by its vigilance gradually diffuſe the bleſſings of its protection to an inoffenſive people. The deſcription of *Cauzees* in 1789 *, and in the reports of the Committees of the Houſe of Commons, concur that " the venality of *Cauzees* ſince the Company's acceſſion to the *Dewannee* added new taxes on *Reyuts* and compromiſed criminal offences †;" I ſhould as much queſtion their ability as their probity.

It does not require profeſſional knowledge to ſympathiſe with the *Britiſh* native ſubject of *India*, who, grievouſly oppreſſed, has hitherto found the courts of juſtice ſhut to his ſuit, if enough of his property does not remain, after feeing the lawyers,

* Sketch of late Arrangements, Introd. p. xiii and p. xx.

† Seventh Report, p. 327.

to make a depoſit of money in court proportioned to the greatneſs of the cauſe, that it may be admitted to a hearing. This might be neceſſary when the courts claimed the *Chout* or fourth of the amount of all ſuits for their perquiſite; and the credibility of one *Muſſulman* oppoſed to two *Hindoos* * might ſuit *Mahomedan* conquerors; but the continuance of ſuch diſtinction between ſubjects is neither conſiſtent with policy nor juſtice; and yet the jury of *Muſſulmen* and *Hindoos* †, as recommended by Mr. *Law*, appears not leſs inexpedient: becauſe we know that the eſſential rights of *Caſts* would be perpetually violated unneceſſarily, if perſons, ignorant of the diſtinctions, formed what they thought a creditable liſt of jurors, merely to aſſume the form of *Britiſh* juries. Parliament is pledged to reſpect uſage and opinions, but not to perpetuate the abuſes of uſurpers.

* Sketch of late Arrangements, Introd. p. xviii.
† *Ibid.* p. xxi.

CHAP. X.

Alienations of Revenue connected with political Error.

I CONCLUDED the analyſis of the Provincial Eſtabliſhments of *Mahomedan* Conquerors in the countries conſtituting *Britiſh India*, by an illuſtration of the expediency of native forms * previous to the confirmed *abuſe* † of viceroyal aſſeſſments by *Zemindary* juriſdictions in 1730, which ever ſince has influenced the appropriation of the territorial revenue collected from the *Reyuts*. The extracts from Mr. *Grant*'s analyſis of the revenues of *Bengal*, and his political ſurvey of the *Northern Circars*, brought us to the knowledge of the amount of the fundamental alienations at the period of the acquiſition of the *Dewannee*, and of the extent to which the peculation of native and *European* managers, or the ignorance or inattention of Parliament, had allowed the actual collections on the country to be

* Page 231. † Page 201.

diverted from the public treaſury. His remarks apply to the naturally intricate part of *Indian* finance to the *Mofuſſil Zemindary* *, or ordinary eſtabliſhment of internal government of the provinces, and are connected to the circumſtances of the *Bengal* provinces in 1784. The *Sudder*, or extraordinary civil and military eſtabliſhment incident to *Britiſh* government, has hitherto been more complicated and artificially intricate from a variety of circumſtances, particularly from combinations of proprietors and directors to maintain the veil of a double government and elude the claims of the public; from combinations of the Company's ſervants to elude the claims of the Company; from the combination of natives to elude both; and alſo from the preponderance of oratory in and out of Parliament, during the conteſts for power which connected the exiſtence of the King's adminiſtration of the *Britiſh* empire with the ſelection of a plan to control the Company's adminiſtration in *Britiſh India*. The conſtant exertion of the patience of Parlia-

* Page 271.

ment during the inveſtigation of paſt tranſactions in *India*, at ſhort intervals, brought forward the general ſtatement of the Company's affairs: at the period of the coalition adminiſtration, they were ſtated, as far as the accounts were intelligible, with arithmetical truth by Mr. *Fox*, and yet Mr. *Pitt*'s prophetical ſtatement proved true; I have ſtated the amount of the reform in 1785 *, which will ſufficiently explain this paradox. The readineſs with which Mr. *Dundas* promoted inquiry in Parliament was employed by ſome Members in 1790 to explain particular opinions, and by others to complete the average account of receipts and diſburſements in the Company's revenue and commercial management from 1785 to that period; they furniſh the complete documents for the compariſon of the three firſt years of Lord *Cornwallis*'s financial management. The approaching expiration of the Company's charter, and the neceſſary inveſtigation previous to the introduction of the bill, adopted by Parliament this year, occaſioned

* Page 390.

a general public review of the accounts, for the purpose of calculating the amount of the net surplus by trade as well as revenue reasonably to be expected for the participation of the Company and the public, according to the provision of the former acts, during a farther period of twenty years. Mr. *Russel*, Solicitor to the Board of Control*, as an *East-India proprietor*, "on authentic documents, and on his knowledge of the financial concerns of the Company," stated his opinion of the surplus: the East-India Company published also their opinion; and either account appears sufficiently accurate for the object of the investigation, which was obviously to ascertain whether the rule of appropriation established by the Legislature should be confirmed or varied.

It seems that Mr. *Russel* formed his statement on average, and the Company "had not been governed by the medium or average, either of receipts or actual disburse-

* A short History of the *East-India Company*, first edit. 1793.

ments for any former period, but have given their reasons for departing from the one and the other; in consequence their receipts are not increased, though the new ceded countries of *Tippoo Sultaun* are brought into the account, while the probable disbursements are augmented: the result of the whole is, that the probable net revenues of the *Indian* possessions, including the new cessions, are estimated by the Company only at £.1,621,050, from which £.561,923 *per annum* is to be deducted for the interest of the *India* debt, leaving a net surplus of £.1,059,127: to this sum they add £.350,000 a year for the produce of imports and certificates in *India*, making £.1,409,127, from which sum they take £.1,127,000 for an investment of *Indian* goods, and £.250,000 towards an investment of *China* goods, leaving a surplus in *India* of £.32,127 a year; with these aids they compute on such yearly sales as, with their annuity and profits on private trade, will produce a net surplus in *England* of £.1,207,114, after paying a dividend of 8 *per cent.* on the present capital stock of five millions, and the interest

of their bond debt, the expences of recruits and all other current charges at home, and the eftablifhment for *St. Helena**." Mr. *Ruffel's* furplus amounted to £.1,350,000, confequently his difference with the Company was only £.142,886, which appears a clofe approximation if compared with the oppofite ftatements in 1783. It is not material to decide between arbitrary deductions from inaccurate documents, but it is material to render vouchers correct, that fyllogifms may not be wanted to make up for arithmetical inaccuracy. Government and Parliament will find their advantage in keeping off the veil from the arcana of *Indian* politics; the nation will fupport what they underftand, and if any part of the artificial management of former periods fhall be allowed to revive, public opinion and the control of Parliament will be eluded by collufion of irrefponfible proprietors with refponfible minifters, and Parliament itfelf, which can withftand all open attacks, will be fapped to its very foundation.

* Short Hiftory, p. 51.

Parliament was informed in 1772 * "Your Committe have been obliged to make up the account to different periods, as the Company's Prefidencies do not obferve the *fame* periods for forming the annual accounts tranfmitted home." "Your Committee alfo find feveral articles of expence which ought to be charged to the account of territorial acquifitions involved in the expences incident to the commerce of the Company, and to the general management of their affairs at home, &c. under the many difficulties in which this part of their inquiry is involved, the Committee can only ftate fuch materials as will enable the Houfe to form a *general* judgement of the fubject †." I am fure that the fame remark applies to the prefent period, and the powers of the prefent act are fully ample for control; and the *intereft* of the Company and of the public combine in fimplifying the Company's accounts, and in defining the principles of

* Third Report of Secret Committee, p. 59.

† *Ibid.* p. 72.

the double agency, becauſe the profits of both form the common ſtock.

What has been adduced by Mr. *Grant* on the *Moſuſſil Zemindary* and on the definition of *Zemindars* in the preceding chapters, will point out a clear diſtinction between the *Moſuſſil* and *Sudder* charges*. The Company's military audit is already ſufficiently correct for all purpoſes of control; but the civil audit requires extended and defined powers to connect the ſervices, and by a general review to correct errors, demonſtrably of *European* origin, reducible to control by reſtoring to *Aſiatic* accounts of the territorial revenues and civil diſburſements their former ſimplicity.

I have ſtated† that a *Corn Rent*, or a diviſion of crops, had been the rule of tribute from the earlieſt periods, and that the *Charter of Rights* granted by *Akbar* to the natives of *Britiſh India* had been [illegible] violate ſubſequent to the uſurpation of *Jaffier Khan*, and until the *Britiſh* conque-

* Page 270.   † Pages 200 and 313.

rors found it convenient to elude control either of *Mogul* or of *British* government. It was hardly to be expected that *Mahomed Ali Khan* should impose on himself all the control of the pure system of *Akbar* if the Company chose to stand forth *Dewans* and not *Soubah*, when they allowed the territorial revenues to be received in their behalf.

The alienations in the *Bengal* provinces *, and in the northern *Circars* †, at the acquisition of the *Dewannee*, and since the year 1765, could not have escaped detection if the register office, under the name of *Canongoe* in *Bengal*, and of *Despandeah* in the *Decan*, had been restored to the exercise of its duties described on Mr. *Grant*'s information ‡. Without an argument, its disuse is evident, by reference to the records of Parliament for the definition of the "*Canongoe* office §."

* Page 267.
† Page 240.
‡ Page 149.
§ Sixth Report of the Committee of Secrecy, p. 314. 1773.

"The nature and ſervices of this office are fully explained in the proceedings of the *Moorſhedabad* Council of Revenue, 2d July, 1772; the Committee are of opinion that their utility is almoſt ſuppreſſed, from the *change* which has taken place in the revenue ſyſtem; out of tenderneſs, however, to the ancient form of government, and deference to the *grants* which they hold for their office from the Court of *Delhi*, the Committee think the *Head Canongoe* may be continued, either receiving their preſent *Ruſſooms*, or whatever may be conſidered as an adequate *penſion*, but that all the dues allotted for the ſupport of their officers (inferior *Canongoes*) in the diſtricts may be attached, and thoſe officers enrolled among the monthly officers of each *Cutcherry*; thus the government will ſtill reap the benefit of their knowledge and experience in carrying on the buſineſs, while a *conſiderable ſaving* will be produced from the reſumption of the dues they have hitherto received."

Note*. "The office of *Canongoe* is of

* Sixth Report, Committee of Secrecy, p. 314.

Royal institution, of long standing, and, in many places, hereditary; it is frequently exercised by deputy, though the emoluments are enjoyed by the principal; in some districts it has been long abolished. The *Canongoes* have usually had the care of the *Sudder* and *Mofussil* records, and all papers attested by the *Canongoe* are received as authentic and decisive in all disputes relative to lands, their boundaries, or property of that nature."

It is farther observed in the reports*, that "*Canongoes*, *Registers* of *land*, have no authority, but causes of land are often referred to their decision by the *Naeib Dewan*."

When I looked into the *Ayeen Akberry* for the description of the inferior *Canongoes* of districts thrown off from the *Head Canongoe*, it appeared that, by the regulations of *Akbar*, *Canongoes* were paid by Government according to their rank, and *Putwarrees* were paid by the villages by a

* Seventh Report of Committee of Secrecy, p. 347.

Suddu-cy, or allowance of 2½ *per cent.*; they are thus defined: "The *Putwarry* is employed on the part of the husbandman to keep an account of his receipts and disbursements, and no village is without one of these. The *Canongoe* is the protector of the husbandman, and there is one in every *purgunnah* *."

If the *Canongoes* had little to do in 1772, we shall find, by the *Bengal* revenue consultations in 1789, that the *Mocurrery* plan did not include those officers †. "The *Canongoes* will have nothing to do when the village allotment takes place." "When the *Mocurreys* shall be confirmed the *Canongoe* office becomes useless; the old officers may receive their salaries for life, for as the rent of each village with its measurement are herein particularised, the old records are not necessary ‡." "*Tehseeldars* might employ the useless *Canongoes* in the

* *Ayeen Akberry*, Vol. I. p. 358.

† Mr. *Law* has withheld his Appendix E relating to the *Canongoe* office, p. 223. Sketch of late Arrangements.

‡ Ibid. page 170.

receipts*." In *Bahar* the *Canongoe's Sepoordaneh*, on the report of the *Tehseeldar*, was ordered to be abolished as an *imposition*†. The consequent alteration of the *Reyut's* situation is striking in every point of view; instead of his *heritable Pottah* registered by the *Canongoe* and guaranteed by the *Sovereign*, he is turned over to the *Zemindar*, his liege lord and proprietor of the soil. A village by the *Mocurrery* plan is defined to be "an average assessment of an extent of soil, which the proprietor must allot in the best mode for *himself*‡;" and it being generally allowed that the assessment was unequal, and the measurement inaccurate§; Mr. *Shore* observes, "that irregularities in the assessment are acknowledged to be of less importance to the state than the variable uncertainty of its amount is to the subject; it is, however, a desirable object in fixing the quit rent in perpetuity to render it in the first instance as equal as possible; whether, under all cir-

* Sketch of late Arrangements, p. 170.
† Ibid. p. 147.
‡ Ibid. p. 99.
§ Ibid. p. 106.

cumstances, it would be adviseable to delay the plan with a view to this object is another, and serious, consideration." The President of the Board of Revenue* stated that "Mr. *Law* observes, the *Canongoe's measurement* cannot be relied upon; he has inserted in the *Pottah* and *Cabooleat* the term *more* or *less*. In reverting to the copies of these instruments, accompanying the Collector's letter of the 24th of October, I could not find the term *more* or *less*." These observations lead to the explanation of the Collector's arbitrary rule of correcting the defects†: he "had only to diminish upon the highly cultivated, and consequently heavily assessed villages, and in some instances to increase a little the *Jumma* of a few villages with an extensive tract of land which paid almost nothing." By freeing the *Mocurrydars* from the capricious claims of head *Zemindars*, "it were nearly impossible to over assess any villages‡." In respect to boundaries, "ful-

* Sketch of late Arrangements, p. 106.
† Ibid. p. 85.
‡ Ibid. p. 106.

ly aware of the consequences from litigated limits, I (Mr. *Law*) inserted the clause in the *Pottah*, or title deed, for the reciprocal security of *Government* and *landholder* *."
"On reference to the *Persian grant* the word *Tuckmenum* is inserted, but, by some mistake, the copier of the *English Pottah* transmitted to the Board has omitted its translate *estimated more or less* †." "Sooner or later the village holders will *even* mark their boundaries, which are sufficiently ascertained now, but they could not be relied upon for a report; first from their reluctance to incur trouble and expence; secondly from fear of exposing themselves to higher rent, or from a wish to obtain a lower; thirdly to their liability to err, from ignorance or neglect. No report can exclude the revision of *Adaulets* when disputes arise; to attempt defining every limit would be to excite a spirit of dispute and encroachment instead of preventing it. *The Collector's assistant* would be apt to mistake, and his mensuration could not be in

* Sketch of late Arrangements, p. 109.
† Ibid. p. 107.

juſtice a bar to the Court's inveſtigation upon an appeal, and therefore his trouble *ab initio* be nugatory *." This important word "*Tuckmenum*" will leave every grant, or *Pottah* where boundaries are aſcertained, open to the deciſion of the *Adaulet*; and where boundaries are not aſcertained and increaſed, cultivation ſhall make it worth diſpute: "the courts of juſtice will decide, in what manner is immaterial to the Government, whoſe quit rent cannot be endangered †."

Having thus ſettled the aſſeſſment, if the land proprietor refuſe the quit rent allotment, he will receive *permanent* compenſation ‡ of *one tenth*; if he accepts, he muſt make good his payments, or the lands muſt be ſold privately § by the *Zemindar*, or publicly by the Collector, ſubject to the ſpecified tax ||. "A purchaſer's refuſal of the quit rent cannot be admitted, elſe the applica-

* Sketch of late Arrangements, p. 111.
† Ibid. p. 110.
‡ Ibid. p. 42.
§ Ibid. 121.
|| Ibid. p. 85.

tions for deductions on various pleas would be endlefs; fhould an earthquake happen, overflowing rivers depofit fand, or *miftaken affeffment* render the village inadequate to bear the land tax, the *proprietors* fhould be at liberty to *refign* the eftate, (the quit rent being the condition of his tenure) and the Board of Revenue may afterwards grant it to another *." The *Reyuts* can eafily move from one *Mocurreydar*'s eftate to another; "thus oppreffion will be prevented †." "The *Adaulets* will prevent oppreffion, and as rack-renting can only drive the *Reyuts* to a neighbouring *Mocurrery*, they will return immediately upon a change of proprietor ‡." It appears that fo much of the old cuftom of *corn rent* had prevailed during the Company's farming fyftem, that the *Reyut* had the option of *delivering rice in kind* §; if he cultivated valuable articles, cotton, fugar cane, opium, &c. he was liable to pay thofe crops in *coin*; the exactions of the *Zemindars* had leffened the

* Sketch of late Arrangements, p. 95.
† Ibid. p. 60.
‡ Ibid. p. 96.
§ Ibid. p. 60.

cultivation of thoſe articles; if the *Zemindar* or farmer demanded during the *farming ſyſtem* more than his proportion of the crop of rice; "the *Reyut* refuſed to cut it down, and ſteals enough at night for ſubſiſtence, leaving the remainder to rot on the ground*" but by the *Mocurrery* plan, the heritable *Pottah* is of no avail, the *Reyut* muſt ſubmit to exaction or run away.

I am unable to ſtate the charge of this ſyſtem. It appears that a *Tehſildar*, a native officer muſt be appointed to collect in each *Purgunnah* † at an allowance of 2½ per cent. and "as the country becomes flouriſhing, offices under government will be ſollicited more for honor than the ſalary ‡" when *Zemindars* are deprived of "the management of their own lands, they are, agreeable *to the conſtitution* of the *Soubah*, to receive permanent allowance of 10 per cent. *Malconnah* on the net *Jumma* of the *Zemindary* §. Mr. *Law* obſerves "that

* Sketch of late Arrangements, page 60.
† Ibid. p. 92.
‡ Ibid. p. 57.
§ Ibid. p. 240.

every year, every month, every day, alters the cultivation in each village, in quality and quantity. The idea of a general appreciation by this means, incurred great expence, diſſipated much ability, and defeated a *Mocurrery* plan under Mr. *Haſtings*'s adminiſtration" * ; and Mr. *Law* explains the neceſſity of deviating in ſome parts from Mr. *Francis*'s plan for fixing the demands of Government upon the *Zemindars*, and of reſtoring the old feodal ſyſtem. He could not admit Mr. *Francis*' calculation of a ſurplus of revenue which he ſtated in 1776 likely to abſorb all the circulating ſpecie of the country, becauſe a different concluſion was eſtabliſhed by Mr. *Dundas*'s ſtatement of diſburſements † ; he could not confirm all the *Zemindary* prerogatives, which would prevent Government from reſuming criminal juriſdiction, or providing for unavoidable emergencies. "Much credit is certainly due to Mr. *Francis* for his ſenſible minutes, but he will no doubt acquieſce in the ſuperiority of the preſent

* Sketch of late Arrangements, p. 115.
† Ibid. Introduction, p. iii.

arrangements which have limited the demands on the land, which have aboliſhed all feodal impoſitions, and left taxation in the hands of Government. Mr. *Haſtings* deeming the board not ſufficiently informed for ſettling a land tax on perpetuity, recommended deputation of inveſtigators; and thus Mr. *Francis*'s plan was poſtponed." *

It is not my wiſh to inveſtigate the private opinions of public men; it is, however, proper to claſs public men as they pleaſe to claſs themſelves; measures are then eaſily diſtinguiſhed from profeſſions, and judgement becomes founded on e[illegible] rience, inſtead of blind confidence[illegible]

Mr. *Francis* ſtated to the p[illegible]
of ſettlement †; he alſo ſtat[illegible]
his opinion of the manag[illegible]
revenue; he told the Ho[illegible]
opinion coincided w[illegible]
with Mr. *Ha*[illegible]
the Houſe t[illegible]

* Sketch of [illegible]
† Original [illegible]

entirely managed the revenues after Mr. *Anderson* had left *Calcutta**. Mr. *Francis* concurred with Mr. *Shore* in combating the report and ſtatement of Mr. *Grant*; conſequently the demonſtration of the errors of Sir *John Shore* appear to be at the ſame time the demonſtration of Mr. *Francis's* error, ſo far as relates to the definition of *Zemindar* and its conſequences.

As to the nature and amount of tribute, all the managers, from Governor *Holwell's* time to the year 1785, had adopted either the *farming* or *ſubſidiary* principle of collecting revenue. Mr. *Rouſe* informed parliament that Mr. *Haſtings* and council entertained an opinion that Government had a right to the *full produce of lands*, allowing compenſation to the *Zemindars*; his predeceſſors had done ſo before him. The diſtricts of *Burdwan* and *Kiſtegar* had been let to farm, and meaſures had been taken to aſcertain the *groſs produce* of all the lands, yet no charge had been laid againſt the hu-

* Parliament Debates, Vol. 39. page 116.

manity and integrity of Mr. *Verelst*, the Governor who authorised it *".

As to the amount and rule of asseffment, there appears the fame uniform avowal of ignorance. Mr. *Rouse* told parliament " what is now the standard rate of that assessment in *Bengal*, or whether there was any univerfal standard, he had never been able to learn, either from books or inquiry; but he underftood that in the province of *Bahar* the known and eftablifhed profit or claim of the *Zemindar* was *one tenth* only of the produce †". The fame opinion was publifhed in 1790‡ by Mr. *Roufe*; and the Revenue Board in *Bengal* continued in 1789, a diligent inquiry after *a regular known fyftem of revenue in Bahar* §. Mr. *Law* anfwers, " I know of none"—" revolutions muft have been frequent, fubverfive of all regular fyftem of revenue."

When Muffulmans fubdued the country they found a *Maharajah*, *inferior Rajahs*,

* Parliament Debates, Vol.39, page 125

† Ibid.

‡ Mr. Roufe's Differtation.

§ Sketch of late Arrangements, page 127

and *Reyuts*; and to this day the *Rajahs* in the hills have continued tributary land-holders :" * and Mr. *Law* farther ſays, he is " not acquainted with any fixed rules of taxation, the diviſion of the crop excepted " " I *underſtand* that Mr. *James Grant* has written, with aſſiduous reſearch and great ingenuity, an analyſis, and I truſt to be excuſed referring thereto for what has eſcaped my knowledge" ; and this reference is the *Delphic* anſwer to four queries of the Board of Revenue †. The ſtatement of theſe opinions is ſufficient for an anonymous writer, who " *Errare poteſt, litigioſus eſſe non vult.*" The reader will be able to purſue theſe curious inveſtigations in the publications referred to. I have juſtified my own opinion, and have no occaſion to p reſs arther on the bad ſucceſs of Sir *John Shore*'s financial experiments on the landed revenue, ſanctioned by the publiſhed opinions of Mr. *Francis*, of Mr. *Rouſe*, the late Secretary to the Board of Control, by the fair ſupport of the Directors and Board

* Sketch of late Arrangements, page 127

† Ibid. pages 129 and 130

of Control, and by the weight of Lord *Cornwallis*'s authority.

Having traced the ſources of error in the management of Territorial Revenue, it may be neceſſary to advert to the errors which tend to perpetuate anarchy and peculation in the other branches of revenue.

If *Coſſim Ali* could have limited the Company's trade to the import and export trade of its factories, as before 1757, the *Mogul*'s *Phirmaund*, and the Company's charter, would have anſwered every commercial purpoſe of the Company; but the Company graſping at uſurpations of ſovereignty, and the Company's ſervants graſping at all the internal trade of the Company, the one ſet up the pretenſion of levying duties, and Foreign Companies followed their example as far as they could. Conqueſt having thrown the power into the hands of the Engliſh, the pretenſions of the Company were ſanctioned by *Phirmaunds*; but the ſervants of the Company employed them by no other rule than their private intereſt, to ſtrengthen monopolies,

and eſtabliſhed decided ſuperiority in their adventures over foreign companies and private traders *. The extention of privileges and exemptions granted to the ſervants of the Company, could not be granted to foreign companies, without granting in fact, a participation of ſovereignty; for the Company's ſervants varied the internal duties, at the will of their agents or *Banyans*, and of their Factors, or *Gomaſtahs*, ſuperſeded the civil and criminal juriſdiction of the country. Parliament is poſſeſſed of uſeful information on this period †. The violation of the rights and ſources of the revenue of the ſovereign is plainly ſtated by an able ſervant of the Company ‡. The Nabob *Coſſim Ali*, finding it impoſſible to participate of the *Mogul's* revenues, threw open the trade of the country, but the country was not permitted to enjoy his largeſs, for he was depoſed, and *Meer Jaffeer* was reſtored under the condition of implicit obedience to the Company's ſervants. At length the abuſe of unautho-

* Fourth Report Committee of Secrecy.

† Reports of *Eaſt India* Select Committee, 1772.

‡ Mr. *Vanſittart*, 2d vol. page 99—104.

riſed taxation endangered the territorial revenues*; and notwithſtanding the reports in Parliament, and Mr. *Grant*'s repreſentations, connect the principle and practice of uſurpation with the decline of the *Mogul*'s power, yet all the experiments of reform have hitherto tended only to prune abuſes and leave deep-rooted error to invigorate by multiplied ſprouts of corruption. I ſhall illuſtrate this obſervation by tracing, curſorily, the ſyſtem of Government impoſts or *Sair* †, under the Company's management previous to 1773. Nine Government *Chokees* were dependant on three principal Cuſtom-houſes; the *Packetra* at *Moorſhedabad*, the *Buxbunder* at *Houghley*, and the *Shawbunder* at *Dacca*; and the *Zemindary* as well as the *Nizamut Chokees* had been extended proportionably to *Aboabs* under which they included all unauthoriſed and unconſtitutional impoſts. The Committee of circuit in 1772 ‡ ſettled the cuſtoms, by allowing *Zemindars* a compenſation for

* Fourth Report Com. of Secr. 1773—Ninth Report, 1782.

† Page 164.

‡ Sixth Report of Committee of Secrecy, 1773.

ſeveral *Chokees* they had eſtabliſhed, to the amount of 9,77,727 Rupees annual abatement of *territorial* rent, and on a repreſentation that export goods had riſen beyond the prices ſuited for the Company's profit in the European market, the Government duty was reduced to 2½ per cent; the goods of the Company's ſervants were allowed exemptions from duties and tolls; and foreign companies were confined to the privileges of the *Phirmaund*; they were allowed to declare the cargo; and individuals, under the privilege of their flags, claimed ſimilar favour. It is not ſurprizing that diſputes multiplied, and the revenue diminiſhed under this ſyſtem.

It may be neceſſary to ſtate that the eſtabliſhment of a Board of Cuſtoms in 1773 conſiſted of one member of council and four ſenior covenanted ſervants. The Government Cuſtom-houſes at *Moorſhedabad*, *Houghly*, and *Dacca*, were continued; and one eſtabliſhed at *Patna*, and another at *Calcutta*; which brought the *Mogul* or Government Collection within the Company's boundaries: two other Cuſtom-hou-

ſes were eſtabliſhed, one at *Malda*, to collect duties on goods exported to the Northern parts of *Hindoſtan*; and one at . . . . to collect on goods exported to the Weſtward. The Company's cuſtoms were under the cuſtom maſter.

I think it may be plainly deduced from the examination of this period, that the Company endeavoured to reduce the importance of Government duties, and to throw them into the ſcale of *Phirmaund* privileges, combined with the intereſt of the Company's ſervants; and it became neceſſary for that purpoſe to confound inland duties, and the import and export duties.

It is certain that the *Mogul*'s *Phirmaund* granted exemption only to articles of import and export by ſhipping to or from factories or privileged ſettlements; all articles, whether of manufacture or produce of the country, for exportation, were ſubject to the ſame charges which affected the natives. Mr. *Vanſittart* and Mr. *Haſtings* could not diſſent from *Coſſim Ali* on this definition;

the Company's accounts proved the Company's payment of inland duty on ſalt*; but the Company's ſervants voted that *Phirmaunds* gave exemptions from internal duties. *Coſſim Ali* was depoſed, and *Meer Jaffeer* by treaty † exempted the Company from all duties except the duty of 2½ *per cent.* on ſalt, which ſtrengthened the monopoly of the ſervants of the Company, by ſubjecting foreigners to the government duties from which they exempted their own concerns; and alſo from *Zemindary* duties, by indemnifying *Zemindars* by the government rents; and there was a degree of indulgence to foreigners actually annexed to the regulation. The French and Dutch had been the chief importers of ſalt; and by a ſubſequent inveſtigation in 1776, the report of the *Collector of Cuſtoms*, and of the *Canongoes*, aſcertained that the old duty on *ſalt* ‡ had been 2½ *per cent.* on

* *Vanſittart*, 2d vol. page 143.—151.—271.

† Fourth Select Report, p. 481, 1772. Company's printed Treaties, p. 114.

‡ This does not appear to have been the general *tariff* on all articles; the Collector of *Patna* reported in 1773, that the *Hindoos* uſed to pay 7½ *per cent.* on Broad Cloth.

Mussulmen; 5 and 6 *per cent.* on *Hindoos*, and 4 *per cent.* on European importers. The foreign companies therefore continued to import to their factories subsequent to 1773, and paid 2½ *per cent.* on exporting it from thence into the country. The Committee of Circuit and the Bengal Government anticipated the order of the act of parliament *. The abuses and smuggling were laid open; the revenue on salt had sunk under 5 lacks; and the resumption of the salt *mahals*, and the sale of salt by public auction, was settled in 1772, for the purpose of bringing to the account of Government all the profits which the Company's servants and their *Banyans* had received from the period of *Meer Jaffeer*'s treaty; and the Directors confirmed the arrangements in 1775 and in 1776 †. The difficulty which then occurred seems imputable to the impossibility of annihilating competition, the natural corrective of extortion. Mr. *Francis* inveighed strongly against the monopoly of salt in 1775, for it then ope-

* Bengal Letter, 7th February 1773.

† Ninth Select *East India* Report, 1783. Appendix No. 30.—No. 33.

rated to annihilate its manufacture. The consumption of salt in *Bengal* was that year computed at 20 lacks, of which 15 lacks was imported from the coast. Mr. *Hastings* proposed to strengthen the monopoly by a total prohibition of importation; and Mr. *Francis* admitted that if a prohibition was not issued, the French, Danes, and Dutch, would absorb all the salt trade; but that such prohibition would not be acquiesced in. It was deemed expedient to check the import of salt, by an additional duty on country vessels of 20 rupees per 100 maunds of salt, which, with the old duty, made it amount to 30 rupees. European vessels were to remain on the old duty. An European on board, or an European certificate, however, eluded the regulation*, and a new experiment became necessary. Mr. *Hastings*, 24th September, 1776, suggested the different modes of better managing the salt *mahals* †; and in 1777 the plan was proposed to farm the *mahals*; to make no advances, but to include the duty in the rent, to be paid in coin, and to admit of no balances; consequently the sale

* Ninth Report Select Committee, 1783.

† Appendix No. 88—No. 90.

and diſtribution of ſalt was to be at the riſque of the farmer. *Zemindars* were to have the refuſal of their diſtricts; but it was obvious that the farmer muſt have great capital and mercantile connections, and muſt be found chiefly in other deſcriptions of men. The *Zemindars* would not engage on this plan; and an additional duty of 30 *per cent.* was added to foreign ſalt; and an offer was made by Government in 1780 to make advances to *Zemindars* if they would engage; but they ſtill refuſed. The plan of Mr. *Haſtings*, in September 1780*, on the principle of the firſt monopoly of the Preſident and Council, was adopted by the Board. His minute explains the cauſes of former failures, and their remedy. All the ſalt of the provinces to be provided for the uſe of the Company, and ſold for ready money, by agents ſuperintending the manufacture in ſix different diſtricts, under a Comptroller and his eſtabliſhment, with an allowance of a commiſſion of 10½ *per cent.* beſides their ſalaries, to be eſtimated on the "dif-

* Ninth Select Report, 1783. Appendix, No. 91.

ference between the ſum of all the antecedent expences of whatever kind; and the produce of the ſales, the duty included, of all the ſalt brought to account of the Company in the diviſion, whether by manufacture or confiſcation, to be diſtributed in proportion of one fourth to the Comptroller, three fourths to the agent, of each diviſion reſpectively;" and to ſtrengthen the monopoly, a total prohibition was laid on the importation of coaſt or foreign ſalt, which took effect on 1ſt January, 1781, and ſalt has ever ſince been a productive ſource of revenue.

The foreign companies appealed to their *Phirmaunds*, in which they could not find the right to control the Sovereign will, but had unqueſtionable rights, if the Company's conſtruction of a *Phirmaund* was allowed to be correct. The *Engliſh* merchants, who had put all regulation of duties to defiance, could not evade a general prohibition, joined in clamour againſt the monopoly, as oppreſſive to the country, and ſupported the pretenſions of foreigners as the means of emancipating their trade.

This period was alſo diſtinguiſhed by the abolition of the old Board of Cuſtoms, eſtabliſhed in 1773. A new code of revenue regulations was perfected in May 1781 by a new Board; Collectors were ſtationed at *Calcutta*, *Moorſhedabad*, *Patna*, and *Dacca*; *Government* cuſtoms were fixed at 30 ſicca rupees per 100 maunds on beetle-nut and tobacco, and 2½ *per cent.* on all other goods; *Company*'s cuſtoms at 4 *per cent.* on the *Calcutta* price of all foreign imports or goods from ſea; 4 *per cent.* on the *Aurung* price of groſs inland imports, or goods from *Aurungs*; 2 *per cent.* on goods from the *Aurung*, ſuch as piece goods, raw ſilk, and cotton yarn. The book of rates to be iſſued annually of the fixed prices of imports for the enſuing year; *Rowanahs* to paſs for one year, and not to be detained for examination above one day; double duty on goods which had no *Rowanah:* covenanted ſervants were alſo ſtationed at *Nea Serai*, *Scrool*, and *Malda*; vigilance was ſtimulated by a commiſſion of 15 *per cent.* on their groſs collection. It is not intended to trace all the changes of ſtations, but to trace general

principles. At this period the firſt regulation * was, that "no diſtinctions be made in favour of particular perſons, or goods, or places:" we ſhall examine how far this fundamental rule applied to the Government duty and to the Company's duty. The firſt exemption of Government duty was in favour of the Company's inveſtment; the diſputes between the Board of Trade and the Collector of Cuſtoms were ſettled by an order of the Supreme Council that the goods of the Board of Trade ſhould paſs free of inland duty.

The Collectors find it difficult to collect the inland duties without additional *Chokies*; ſeveral are ordered in the *Patna* diviſion, with an increaſed eſtabliſhment, an aſſiſtant to the Collector, and fifty-nine native officers; in other diviſions the Collectors ſpread officers where they thought neceſſary, and complaints of oppreſſion or interference from all quarters crowd on the Commiſſioners. The interference of Collectors with the farmers of *Bazars* was ſet-

* Regulations of the New Board, 1781.

tled, by appointing the farmer to collect the Government duty on rice at the *Bazars*, and to account for it to the Commiſſioners. The Collectors are ordered to call in all officers from unauthoriſed *Chokies*, which, the Collector on the confines of *Burdwan* informed the Commiſſioners, would in effect be the ſame as to give up the duties.

The profits of the Collectors were curtailed as much as poſſible without abandoning the ſyſtem; the regulation of *Rowanahs*, or permits, ſtill marked the neceſſity of diſtinguiſhing the collection of Government duties from the collection of the Company's duties. The office of Deputy Cuſtom Maſter was revived; the Commiſſioners were allowed to appropriate 15 *per cent.* of theſe collections, including duty on the Company's inveſtment, among their officers; but the Cuſtom Maſter was made independent of the Commiſſioners in adjuſting amounts, and in iſſuing his *Rowanahs*; this operated as a double charge on the traders; and the Government dues were eluded in both.

The import duty of raw materials for cordage was 4 *per cent.*; it was ſtated to the Board that cordage manufactured became ſubject to a duty of 9 *per cent.* beſides the fees, and foreigners only paid 6½ *per cent.*; the Board ordered that only one duty ſhould be required: *Surat* cotton was under the ſame predicament, but could not be included in the ſame rule without ruining the collection, and theſe goods were either ſmuggled into *Calcutta* or carried into foreign factories, from whence they were exported without duty: this occaſioned new arrangements in 1782; two new Cuſtom-houſe ſtations were eſtabliſhed at *Houghly Point* and *Keeble Canal* to intercept goods and collect the duty; and the Cuſtom-houſes at *Scrool* and *Malda* were diſcontinued, and the Government cuſtoms to the northern and weſtern parts of *Hindoſtan* were thereby abandoned. A new participation of the commiſſion on the collection was ordered at the ſame time; the firſt commiſſioner, as Preſident, was allowed five ſhares, and four to each Commiſſioner, and two ſhares to the Secretary and Accomptant; the whole commiſſion was thus

divided in fifteen ſhares. The Directors, in January, 1783, diſapproved of the arrangement, and recommended a general reviſion. In April, 1785, they ordered the Board of Cuſtoms to be aboliſhed, and the allowances of Collectors to be reduced to the ſtandard of 1776, and the Government cuſtoms to be managed, and the expences defrayed, from the allowance to which the revenue department was then limited. The foreign companies aſſerted their privilege of *Phirmaund*, and exemption from the Company's cuſtoms. The refined *Britiſh* ſtateſman who ſettled the treaty of *Verſailles* introduced a new deſcription of ſubjects to the *Britiſh* empire; that treaty guaranteed the freedom of trade to the *French* in *Britiſh India*, and Mr. *Macpherſon* endeavoured by negociation to render the thirteenth article intelligible and practicable: the prohibition of importing coaſt ſalt was maintained by conceding a partial exemption to the foreign ſettlements of a limited quantity of ſalt. The other privileges of *Phirmaunds* were inſiſted on as very important, and it was propoſed to reduce even theſe claims to a definite and conve-

nient extent; the honourable *Charles Cathcart* was entrusted by the Governor General, and his able negociation with M. de *Souillac*, the *French* Governor General, brought this important explanation to a crisis. The Directors had formed a treaty with the Directors of the *French East-India* Company in 1785, which the Comptroller General of Finances rejected; the agreement of Mr. *Macpherson* relative to salt was also disallowed by the *French* Government in *India*; and another plan which the foreign merchants solicited, met with favour from the Governor General; but it occasioned much clamour at *Calcutta*, and was not confirmed by the Directors and Board of Control. The foreign merchants were willing to carry on their trade from *Calcutta* instead of their factories, provided they were allowed to pay the same duties which they paid in their settlements; and the whole argument which supported the clamour of the *English* merchants consisted in stating, that they should still be liable to pay to the Company's duty, from which the foreign merchant would continue to be exempt, and they prevailed in perpetuating

the hopes of future evaſions under foreign privileges, but Government was aware of the former evaſions which the Company complained of, and adopted the expedient of diſcontinuing the inland Government duty on foreigners, and left them to make the moſt of their *Phirmaunds.* The convention ſettled proviſionally by M. *de Souillac* and Colonel *Cathcart* was reduced into a definite explanation of the treaty of *Verſailles* by Lord *Auckland*, then plenipotentiary at *Paris*, and *French* ſubjects were to be as *Britiſh* ſubjects in commercial concerns: this explains the curious diſtinction above mentioned * in the introduction, " *French* ſubjects are as *Britiſh* ſubjects, other *Europeans* are not as *Britiſh* ſubjects in *Britiſh India.*" It is a neceſſary and important object of the Directors and Board of Control to reviſe this ſubject; the powers of the preſent act are competent, and the definition of privileges muſt be rendered uniform and juſt.

I ſhould not have dwelt ſo much on the

* Page xxix, and Plans for *Britiſh India*, p. 412.

progrefs of the Company's collections if the attention of Parliament, and indeed of the Board of Control, had been sufficiently directed to the Company's policy. An erroneous definition of perfons and things is ftill infifted on; the ftatement of fecurities to the proprietors of *India* ftock, *on territory and cuftoms in Britifh India*, might have paffed without obfervation fo long as the enumeration refted on the opinion of an anonymous proprietor of *India* ftock; but as it forms an important addition to the fecurity which Mr. *Ruffel** ftates to belong to the Company, and its amount correfponds to the fum ftated by Mr. *Dundas* in opening the new *India* bill this year, it becomes neceffary to fhew that the Company's cuftoms are the Government cuftoms, and that the attempts to elude the rights of the ftate have hitherto been equally ruinous to the interefts of the Company and to the rights of the public, and if permitted to continue, will fuperfede the benefits of the prefent act.

* Short Hiftory, p. 36.

The Committee of Circuit in 1772 redeemed *Zemindary Chokies* by abatement of 9,77727 rupees of territorial rent, and the Governor and Council reduced the cuſtoms of Government to 2½ *per cent.*; the average medium of ſix years Government cuſtoms ſubſequent to that period produced only 7,29433 rupees*. The balances and remiſſions in landed revenue on record for the five years ſettlement amounted to 100,00,000 rupees, or 100 lacks †. The economical plan of 1781 increaſed the charges of collection, and " in the year 1783 the charges of collection were double what they were in 1766, and the net revenue from the territorial acquiſition in *Bengal* was one million ſterling leſs than it was the firſt year after the acceſſion to the *Dewannee* ‡." This ſtatement correſponds with Mr. *Grant*'s calculation on the revenues of *Bengal*, detailed under different periods of the firſt nineteen years of the Company's *Dewannee*, and proving that

* *Bengal* Revenue Conſultations, 23d April, 1781.

† Directors' Letter to *Bengal* Government, 12th April, 1786.

‡ Ibid.

the progreſſive decline of revenue and increaſe of charges during that period " afforded ſufficient data to predict with moral certainty, if the ſyſtem was continued for forty-five years longer, it would gradually abſorb and alienate all the known ſources of public income and improved territorial funds of 80,797 ſquare miles."

Whenever official documents ſhall aſcertain the comparative expence of the collections during the firſt year of Lord *Cornwallis*'s government, 1787, and of the preſent year, 1793, the allowances of the new native collectors, and the penſions to diſpoſſeſſed *Zemindars*, and the Government duty given up, muſt all be taken into the account; one plain concluſion may be predicted, the charges will have increaſed, and the ſyſtem will ſtill require amendment; the remedy has been conſtantly within the reach both of the Directors and of the Board of Control; the Government cuſtoms ſhould have been eſtabliſhed and the Company's cuſtoms aboliſhed, for the regulations of Government cuſtoms will include all deſcriptions of

traders; and the Company's cuſtoms neceſſarily require different heads of receipts and different titles, and perpetuate the ruinous evaſions of control.

CHAP. XI.

THE circumſtances of *Britiſh India* require the conſtant ſuperintendance of a juſt and provident government.

I have dwelt ſufficiently on the errors of a modification of Mr. *Francis*'s plan of ſettlement in Sir *John Shore*'s hands; and Mr. *Francis*'s ſurplus has been ſhewn to be inadequate to the exigences of current diſburſements. I am equally inclined to check the extravagant expectation of inexhauſtible ſurplus from oppreſſion and rapine, and muſt ſtate the neceſſity of inveſtigating the circumſtances of the country, to avert the calamities ariſing from phyſical cauſes.

The embankments of rivers, the collecting water in tanks or reservoirs during the rainy season, for the purpose of giving fertility to districts which have no rivers, or from situation are more exposed to great drought, are included in the *general* superintendance of the Board of Control and Directors by the act of 1793. The charges of repairing embankments are included under the head of *Poolbundy* in *Bengal*: in the *Carnatic* the repair of *Tanks* is provided by a tax, and the *Circars*, from the neglect of its conquerors, continues exposed to the desolation of anarchy and of improvidence.

Lord *Clive* well knew that the *Euphrates*, under enlightened conquerors, might have preserved to this day, by regular and moderate charges, the fertility of its banks, which, from financial more than from physical causes, will probably never be restored to that once happy country; he considered it of great political and physical importance, and this head of expenditure was one of the *jobs* imputed to Lord *Clive*; his mind proportioned expences to the magni-

tude of objects; he repeatedly told the Directors and Parliament that a liberal allowance would become an intolerable charge without a rigorous control of expenditure; where taxes had been collected by *Mahomedan* conquerors for tanks and embankments, they have not been discontinued by *British* conquerors, but the application of the money collected has been unsystematic, and it will require a serious investigation of the commissioners under the present act, not only to ensure the expenditure of the money, but also its judicious application on the report of experienced engineers, who may combine *European* science to *Indian* experience, and render the works both permanent and adequate to the object. The divisions of departments, introduced in 1785, are still continued in the system of *British India*; Sir *John Macpherson* at that time proposed to let the *Zemindars* manage the repairs charged in the *Bengal* accounts under the head *Poolbundy*, which the Directors approved, subject to the superintendance of the Supreme Government. I am not able to state how these charges are connected with the *Moccurrery*

plan by Sir *John Shore*; the *Zemindars* have no power to aſſeſs the diſtricts. All the charges incident on land are thrown on the land, and "ſhould any earthquake happen, overflowing rivers depoſit ſand, or miſtaken aſſeſſment render the village inadequate to bear the land tax, the proprietor ſhould be at liberty to reſign the eſtate, (the quit rent being the condition of his tenure) and the Board of Revenue may afterwards grant it to another*." And where new aqueducts and mounds are to be made, the Supreme Board, as Parliaments in *England*, conſulting general utility, will grant particular licences†. I need not comment on the juſtice and policy of this opinion: I ſhall proceed to ſtate circumſtances which prove the extent and the neceſſity of a liberal expenditure, and ſtimulate the ſuperintendance of the Commiſſioners under the preſent act to this ſubject, which preſſes on the humanity, and is in fact intimately connected with the intereſt, of *Great Britain.*

* Sketch of late Arrangements, p. 95.

† Ibid. p. 119.

Lord *Cornwallis*, having traverſed the *Carnatic* and the *Myſore* with a victorious army, will judge whether the regulations of *Tippoo* produced greater proſperity where they extended, than the Company's ſyſtem of aſſignments has produced in the *Carnatic:* Lord *Cornwallis*'s honourable adherence to the *Corga Rajah*, on the final partition ſettlement, and his decided ſupport of the *Rajah* of *Travancore*, put him above the reach of detraction, and render him the ſaviour of the *Hindoos* in the peninſula of *India*; during his adminiſtration he has had opportunity to know that ſtorms and droughts require the vigilance of a protecting government, both in *Bengal* and in the *Carnatic*, to preſerve the people, who, by the right of the ſword, are properly called our ſubjects in *Britiſh India.*

I was favoured by Dr. *Anderſon* with his laſt publication*, and the following paſſage in his letter to Colonel *Kyd* is an exiſting evidence of the neceſſity of a protecting Government.

* Additional Letters, *Madras*, 1793.

Dear Sir,

I am favoured with your letter of 26th May, acknowledging the receipt of the publications I sent you, from which you have extracted what regards the fall of rain, in such a way, as to draw a conclusion that agrees with experience; for between the latitude of 16 and 18 degrees on the Coast there was so little rain fell during the years 1764, 1765, and 1766, that the country was desolated by famine.

The same thing has *now* happened again in the same part of the country, insomuch that, I am credibly informed, *one half* of the inhabitants are no more! and the remainder so feeble and weak, that, on the report of rice coming from the *Malabar* Coast, by order of the Governor General, 5,000 poor people left *Raiamundry*, and very few reached the sea side, although the distance is only fifty miles; the pestilence occasioned by famine is better prevented than cured.

I will leave it to others to declare the

causes of the uncertain fall of rain at the mouths of great rivers, for *Egypt* is remarkable for drought, and the *Goadaveri* spreads out into a *Delta* at *Rajamundry* in the same manner as the *Nile*, so that its mouths occupy fifty miles of the sea coast; and the *Kistna* likewise falls into the sea in the same manner about fifty miles south of the *Goadaveri*, and their waters are united on the intermediate flat country in the months of July and August when they overflow their banks.

It is curious that these two great rivers should proceed in opposite directions to join their waters in a country where, perhaps from the causes you have mentioned, of the participation of different monsoons, the fall of rain is most irregular and uncertain; one thing, however, is most certain, that the bulk of mankind reap little benefit from speculative observations, otherwise the waters of these rivers would long ere this time have been converted to the purposes of agriculture. I have heard say, for I was never at the place, that near *Temericotta* the *Kistna* is precipitated from rocks seventy

feet, which is a ſufficient height to carry its waters over the *Palnaud* and *Guntoor* countries, and ſtreams from the *Goadaveri* might no doubt be carried over the *Muſtaphanagur*, *Ellore*, and *Rajamundry Circars*, as even in the firſt week of June, when its waters are at the loweſt, the channel in its bed is never leſs than a quarter of a mile in width and three feet in depth of running water*. Dr. *Anderſon*'s letter is dated in Auguſt 1792. Dr. *Roxburgh*'s letter, the October 1792, and Captain *George Baker*'s, November 1792, had been laid before Sir *Charles Oakeley*, the Governor of *Madras*, by Mr. *Andrew Roſs*, who immediately repreſented the whole to the Marquis *Cornwallis*, and obtained his warmeſt aſſurances of co-operating and aſſiſting the benevolent intentions of the *Madras* Government.

I do not paſs over Lord *Cornwallis*'s humanity in this inſtance coldly, to make remarks, which ſome may think unneceſ-

* Some additional Letters by *James Anderſon*, M. D. and A. M., &c. *Madras*, 1793.

ſary, and others may attribute to a diſpoſition to detract from his merit; his honour and private virtue have never been doubted; thoſe who have ſeen him in difficulty, in victory, and at periods which appealed to his heart, may ſelect the very many moments of his life to evidence his elevated mind: when *Tippoo*'s hoſtage *ſons* experienced by Lord *Cornwallis*'s reception that the exultation of victory and conqueſt had not ſtifled the feelings of a father, the eyes and hearts of *India* paid tribute to the excellence of *Britiſh* character, and revered him: an obligation is not conferred on Lord *Cornwallis* by flattery, but by pointing out the means to render his objects practicable. The circumſtances connected with the *Carnatic* evidence the neceſſity not only of humane intention, but of mature reflection and inveſtigation, fixed rule, and ſteady control, to digeſt the plan, on principles and by forms, if poſſible, equally applicable to every part of *Britiſh India.*

Captain *Beatſon* informs us*, that the

* Mr. *Dalrymple*'s Memoir on Watering the *Circars*, p. 12, 1793.

Company's *Jageer* owes its fertility to 1,480 *Tanks*, or reſervoirs of water, ſome of conſiderable extent. Mr. *Dalrymple*, who had been one of the Committee of Circuit appointed by the Directors, informed us *, that the *Tanks* were in a worſe ſtate in 1776 than in 1764, though the annual taxes collected for their repair was very conſiderable; the renters, it is ſaid, have uſually appropriated to themſelves the *ſhare* of the *produce* collected for this purpoſe, and the temporary and partial repairs the *Tanks* have received were ineffectual, and generally done at the *extraordinary* expence of the inhabitants.

Dr. *Anderſon*'s letter, and the meritorious intentions of the Governor General, and of the Governor of *Madras*, are more likely to be directed to their object, from the comment of Mr. *Dalrymple*, printed laſt month †, than from the zealous and well-intentioned exertions of gentlemen in

* Short Account of the *Gentoo* Mode of collecting Revenue, *London*, 1783, p. 11.

† Memoir on Watering the *Circars*, June, 1793.

hydraulic improvements, who were without ſuch *inſtruments* as a level: his intereſting obſervations ſuggeſt, that previous inveſtigation is neceſſary to decide on the propriety and utility of turning the courſe of the *Kiſtna*. The levels of the whole adjacent country, and the nature of the ſoil, can alone decide whether the new courſe of this vaſt body of water would take the proper direction, and whether the ſuperabundance of water may not deſtroy the *dry grain*, without even promoting the culture of rice; but above all, whether it would not ruin the country to the weſtward of *Maſulipatam*, and whether the *Goadàveri* may not better ſuit the purpoſe than the *Kiſtna*. We muſt admit the neceſſity and importance of theſe works, when we read Dr. *Anderſon*'s letter; but in the peninſula of *India*, we muſt alſo remember, that the proſperity of the country depends much on its rivers. To the *Nabob* of *Arcot* and the *Rajah* of *Tanjore* a mound has been the frequent ſource of ſerious conteſt *. The *Coleroon*, properly

* Memoir on Watering the *Circars*, p. 12.

ſpeaking, is only the *waſte* of the *Cavery*, the water of which, being raiſed by a *dam*, or *mound*, run out from the weſt end of the iſland *Syringham*, is forced in various channels through the *Tanjore* country; but to prevent any *inundation*, the *Annacatt* at the eaſt end of the iſland of *Syringham* is raiſed to ſuch a height, that whenever the water in the *Cavery* is ſufficiently high for the purpoſes of cultivation in the *Tanjore* country, the ſuperfluous water flows over the *Annacatt* into the *Coleroon*, and then runs waſte to the ſea. This ſufficiently explains the nature and objects of the works neceſſary to avert famine, and alſo demonſtrates that it muſt be the work of the Government; conſequently, that, excluſive of military conſiderations, economical purpoſes require unity of plan, and equitable diſtribution of the waters, ſo far as they can diffuſe proſperity over the lands between the *Ghauts* and the ſea.

Dr. *Roxburgh*, at *Samul Cotah*, on 21ſt January, 1793, informs Mr. *Roſs* at *Madras* *, that " it is too far advanced in the

* Memoir on Watering the *Circars*, p. 20.

ſeaſon to begin any *grand work*, ſuch as a *dam* acroſs the *Kiſtna*, but the ſooner *Tanks* on a ſmall ſcale are begun, the ſooner will the *remaining part* of the *poor* be enabled to *live*. The *Rice* given away in *charity*, and under that name, ſince the *famine* began, would have conſtructed *ſeveral large Tanks*, and done infinitely more good; for then the *poor* would have found *work* and *food* at or near their houſes, whereas, as it was, they were obliged to leave the *inland parts*, and try to *crawl* to the *few places* on the *Coaſt* where rice was to be *had*, and very *few* ever returned." And he concludes with another obſervation; "ſhould the ſucceeding ſeaſons be as favourable for the crops as there is a right to *expect*, what is to be done with the *overplus produce?* for there are not inhabitants left ſufficient to eat half a *good crop:* it cannot be *exported* on account of the *exorbitant* inland *duties*, for only between the *hills* and the *ſea* near this, they come to about 30 *per cent.* on grain," although the diſtance is only twenty miles. Mr. *Dalrymple* ſtates, that abundance of teek wood might come down the *Goadaveri* if the in-

land duties did not amount to 375 *per cent.*, according (as it is ſaid) to a ſtatement of the Committee of Circuit; and he truly obſerves, that it would be of infinite benefit to aboliſh inland duties equitably to the renter, but it does not follow that the national objects which Mr. *Grant* connects with this ſupply of timber ſhould become private or public monopoly: their combined remarks prove that Government cannot longer avoid a *direct* and *minute* attention to the circumſtances of the country and of its inhabitants *.

Under different circumſtances of Government, in *Bengal*, in the *Circars*, and in the *Carnatic*, different arts of management and ſubſerviency have opened to *Mahomedan* and *Hindoo* officers a participation in the rents of the country, but the *Reyuts*, or *Pottah* holders, on all ſides appear conſigned to oppreſſion. In the *Carnatic* every religious and ſocial counteraction of the natives having proved inadequate to afford the *Reyut* protection, no matter whether

* Memoir on Watering the *Circars*, p. 30.

from *Britiſh* neglect, ignorance, or avarice, or from *Zemindary* extortion and oppreſſion. *Mooda Kiſtna* informs us, "that in many villages of the *Carnatic* the inhabitants have made agreements of reſtriction between themſelves to ſave the wreck of their property, and not ſell their lands to any, even in time of their extremity, but to cultivate ſuch part of their reſpective ſhare as their ability may afford, and to let the remaining part ſtand ſtill, and be uſed by the *Reyuts* and other inhabitants, until the owner of that ſhare can find means to cultivate it. The villages under the above reſtriction are called *Paſhungare*, by which is underſtood, that no lands of inheritance can be ſold there by an individual inheritor; whereas inot her villages, which are called *Ardeycara*, ſhares of land may be ſold and bought according to the uſual courſe*."

From Mr. *Dalrymple* I firſt learnt that the *Jageer* territory had been accurately ſurveyed by Mr. *Barnard*; and the peruſal

* Poſtſcript to Mr. *Dalrymple*'s Account, 1785, p. 7.

of one page, in which he ſtates the minute accuracy of the ſurvey *, and of a table to arrange the detail of the information connected with the ſurvey, which, if they had come to *England*, would be a ſufficient anſwer to the financial theoriſts for *Bengal*, who reckon accurate meaſurement and equal aſſeſſment impracticable. I ſhall therefore only add one farther obſervation of praiſe, which is ever due to Mr. *Dalrymple*'s punctilious adherence to correct information. Having obſerved the *Gentoos* work together, and ſubmit their accounts to the village accomptant, &c. he had concluded the community jointly cultivated and ſhared the produce, which opinion Mr. *Dalrymple* publiſhed in 1783 †: he received other information in 1785, which he immediately publiſhed ‡. *Moodo Kiſtna*, the Company's *Dubaſh* at *Madras*, wrote, " that every *Reyut* cultivated his diſtinct ſhare of land, and received the due ſhare of the produce;" and, he adds, " Mr. *Bar*-

* Poſtſcript to Mr. *Dalrymple*'s Account, p. 6.

† A ſhort Account of the *Gentoo* Mode of Collecting Revenues on the Coaſt of *Coromandel*, 1783.

‡ Poſtſcript to Mr. *Dalrymple*'s Account, &c. 1785.

nard's account of the survey must certainly give a full explanation of all the particulars regarding the nature of the inheritance, &c. in the country, which may be found in the Company's office." "To collect the produce in kind is the best mode that can be thought of, but it must be attended with some pains and trouble; it requires patience on the part of Government to convert or to receive them all in money, whereas, if the country is let to *Renters*, an immediate payment in cash may be expected from them; but this will of course produce an oppressive management of the *Renters* over the *Reyuts*, who will thereby be impoverished in the highest degree; in the present* situation of the Company's affairs, they can neither have patience to wait to receive the produce in its kind, or to be converted afterwards into money; nor can they place confidence in those managers who may be employed in the room of the renters to do so; so

* August 10, 1784, is the date of *Moodo Kistna*'s letter from *Madras*.

that the country *muſt ſubmit* to the preſent inconveniences."

Such alſo muſt be the ſituation of *Britiſh India*, until a general ſyſtem ſhall be defined by a *fixed code*; property aſcertained by actual meaſurement and regiſtry; and contribution of a fixed proportion of actual produce, aſcertained by annual valuation, or by the average medium of ſeveral years valuation on a ten years ſettlement: then both Government and ſubjects, by bare inſpection of the records, may ſee and diſtinguiſh the rights of individuals and of the ſtate.

CHAP. XII.

On the political Neceſſity of a Plan for Britiſh India.

IT had been often ſaid, when ſhall we affix bounds to the conqueſts in *India*? If we had exceeded the geographical limits of

military defence, or the scale of dominion essential to preserve the sources of revenue and commerce, by which the naval interests of *Great Britain* are maintained against *European* competition, tending to annihilate both its sovereignty and commerce in *India*, I should not be an advocate for extended dominion; but if natural barriers of mountains, rivers, branches of the sea, and deserts, give security with diminution of expence, it must be from the inhabitants within such natural boundaries, being either subjects or allies, pensioned by, or pensioning, the protecting power, or they will be most formidable enemies in war, by their free access to the heart of the country, or in peace, by rendering a war establishment necessary. If we have had no fixed rule of conduct with our subjects in *Bengal* and in the *Carnatic*, it will not appear extraordinary that no fixed policy has guided our influence over the sovereigns whom we have created, protected, or conquered, to become the allies of *Great Britain*; or that the exercise of our influence has often been as ruinous to the country as the ravages of a state of war-

ſare. It is not neceſſary to illuſtrate the remark by the inſtances of baſe iniquity imputed to Governors, of which the moment of inveſtigation, reſtitution, or puniſhment is irretrievably paſt, and therefore, for the credit of *Great Britain*, ought for ever to be kept under a cloud, but for the future ſafety to the honour of *Great Britain* ought never to be out of the memory of the executive and legiſlative Government.

It does not require extraordinary penetration to diſtinguiſh the circumſtances in which the intereſts of *Britiſh India* and of its neighbours in *India* concur or differ; a permanent ſyſtem can only ariſe from ſtrengthening a common intereſt. I ſhall illuſtrate the neceſſity of general principles founded on accurate information, by the tranſactions in the *Carnatic* during the adminiſtration of Lord *Macartney*, an honourable man, who, on the ſtatement of his conduct, during a period of difficulty, has received recompence and approbation from the Company and the Miniſters; and the legal opinions which aſſiſted him are

of late adduced * as conclusive to questions of great political importance.

In the early period of the *Nabob*'s elevation, by the protection of the Company, the *Nabob* of *Arcot* had the entire command of *Arcot* and its dependancies, with his own cavalry and seapoys, and an establishment of ten battalions, paid by the Company, for which he allowed about four lacks of rupees *per annum*. The Company sold to the *Nabob* cloathing, arms, &c.; his payments were stipulated to be monthly, and the revenues of *Arcot* were always mortgaged by anticipation for that purpose. The early wars of 1756 to 1763 against *Hyder*, began the *Nabob*'s debt; the expedition against *Tanjore* and against *Pondicherry* in 1778 increased it in a degree, that his ill-paid army became rather an object of terror than of protection; mutinies were frequent, and the garrisons were dismantled. The Company and the *King*'s Ministers took into consideration the rapid growth of the despair or ambi-

* Short History, 2d edit. p. 72.

tion of the *Nabob* whom *Great Britain* had created, and of anarchy and devaſtation to which the neceſſities of our ally, and the demands of the Company's ſervants, tended: at laſt, bounds being preſcribed to his ambition, an agreement was concluded, in April, 1781, between the *Nabob* and the Governor General and Council, by which the whole country was ſecured to the Company, under certain ſtipulations, during the war. The Directors ordered the agreement to be annulled. Lord *Macartney* took charge of the government in June, 1781; he did not approve part of the treaty of April, 1781; he ſtated, 2d July, and 15th Auguſt, 1781, that the *Nabob*'s managers defeated the attainment of aid from his country. On the 2d of June, 1782, the Governor General and Council repeated forcible injunctions to realiſe every poſſible reſource of the *Carnatic*. His Lordſhip obtained from the *Nabob* a new aſſignment of the revenues of the *Carnatic*, ſtated in the general letter, *Fort St. George*, 26th of January, 1782; the *Sunnud* made an abſolute aſſignment of the revenues, reſtoring to the

Nabob one ſixth of the net collections for his perſonal ſupport.

In the *Madras* correſpondence, 23d of May, 1783, that Government acknowledged to the *Nabob*, and to the Governor General and Council, that the late arrangements were founded on the *Bengal* treaty of 1781, and virtually conſtituted a part of it. The *Bengal* Government conſidered it as a modification of the 8th article of that treaty. The treaty of 1781 having been annulled by the Directors, the *Nabob* reſiſted the rigorous exaction of the ſecond aſſignment, and the Governor General and Council reſcinded it alſo, as being part of the firſt treaty.

The *Nabob* forms a third agreement; to give one third more in money, cattle, and proviſions, than Lord *Macartney* had collected in an equal period in his country, and to procure *Bankers'* ſecurity for the payment; or, in failure of his engagements, he ſtipulated to leave the ultimate and abſolute diſpoſal of the country, and its management, to the Directors or Go-

vernor General; which the Government of *Bengal* approve. It is not difficult to imagine the irritable and ruinous uncertainty of ſuch a mode of ſettling with the ally of *Great Britain*, had it been in times of profound peace, but it happened in the period of famine and warfare, while the country was overrun by *Hyder*. The calculation of the depopulation of the *Carnatic* during that period was ſent to me in 1783 by an eye witneſs of the miſeries of that unfortunate country.

The number of inhabitants deſtroyed within the *Jageer* by *Hyder*'s invaſion - - -	1781,	150,000
Died by ſickneſs at *Madras*	1782,	20,000
Ditto, by famine at *Madras*, inhabitants of it -	1782,	10,000
Ditto, at *Madras*, inhabitants of the country, forced in by *Hyder* -	1782,	50,000
Died in removing northwards from *Madras* in conſequence of the famine - - -	1782,	40,000

Hyder feized and carried with him from the *Carnatic*, manufacturers and youths - - -	1782,	20,000
Deftroyed during the war in the different parts of the *Carnatic* - - -	1782,	250,000
	Total	540,000

It appeared fo very extraordinary, that I could not have credited any country exifting under fuch complicated misfortune; from all quarters I heard of the merit of the gentlemen who acted on the part of the Company with Sir *Charles Oakeley*, the prefent Governor of *Madras*; but ability and humanity could only palliate fufferings; nothing can render the fyftem of affignment and irregular exaction juft or politic.

I had heard of that ftupendous building, the public granary, at *Tanjore*, and I was led to inquire whether fimilar eftablifhments in the *Carnatic* and the *Circars*, with other refources of internal good ma-

nagement, had operated during this period of public calamity, while *Hyder* was ſubſiſting on the country, and the ſupply in the Company's ſtore proved inſufficient both for the people and the Government. Every conſultation with commercial men preceded the final determination of Lord *Macartney*, by his proclamation, to ſeize all the rice for the uſe of Government, at a price *low*, comparatively with the prices given by individuals; this in a degree prolonged the ſcarcity by decreaſing the import; the period was calamitous, and the means of the *Madras* Government were limited, conſequently its poſitive engagements ſhould have been proportioned exactly to its means; the credit of the Company, and of *Britiſh India*, could alone make up the deficiency with favour to the diſtreſſes of individuals, who riſqued for the public, even in preference to the Company, when the individuals and the Company became competitors in the market.

The *Circars* and *Bengal* were the ſources of ſupply; gentlemen in the *Circars* were induced to exert themſelves by the promiſe

of being regularly paid at *Masulipatam*; at firſt they were paid by bills on a *Shroff*, who paid them in *Pagodas*; the ſecond cargo was paid by bills on the Chief and Council of *Maſulipatam*, which that Board promiſed to pay when the *Zemindars* ſent in their rents, which was ruin to gentlemen who were paying 12 *per cent.* for *Pagodas* to purchaſe the rice they had ſent on their faith in the *Madras* Government.

Other traders, who had fitted out veſſels to import rice, were diſguſted by receiving in payment bills on the treaſury of *Bengal*; they had no alternative but to diſcount their *Bengal* bills at *Madras*, with the loſs of 25 *per cent.*: theſe caſes can only be accounted for by the Government's want of intimate knowledge of the circumſtances of the country. The ſupply on which the *Madras* Government calculated, and to which their offers were applied, proved infinitely greater than they could make good; but its monopoly of the market after the neceſſity was paſt, can be conſidered only as a ſacrifice of political juſtice to commercial intereſts; the chief depen-

dance of the *Madras* Government was in ſuccour from *Bengal*, and, by the exertions of Mr. *Haſtings* and the Supreme Council, an aſtoniſhing ſupply of grain was ſent to *Madras*. In Auguſt, 1783, when the dread of famine was over, and the rice market had been opened, without reſtriction, an order of Government prohibited the diſpoſal of private rice, until the ſuperfluity of the public granary was ſold, at the Company's price, which, though not high, diſtreſſed the poor people very much, by being twice as dear as the coarſer rice, which was to be had in the markets and in the *Madras* road; the merchants, without demurrage, were delayed in the ſales of their cargoes, and as ſoon as peace was proclaimed they ſent their ſhips of rice and flour to the French at *Cuddalore*.

Theſe errors of judgement were of temporary effect; but the ſyſtem of *aſſignment* appeared too likely to become the permanent plan of rendering influence productive, and accordingly we have ſeen, ſince that period, aſſignments neceſſary to realiſe our deliberate liquidations of the *Nabob's*

debts, and of our demands on him for state exigences and for protection. The *Nabob* proportioned his exactions on his dependants to the demands of his allies, and *British* armies have been since, at times, employed to collect the *Nabob*'s rents and tributes; and neither the *British* Government at home, nor its Government in the *Carnatic*, can tell whether the demands were just; and how should they be competent judges, when they are encouraged to believe that, in the history of *Indian* finance, no standard of taxation occurs but the will of the despot? To complete the picture, the *Nabob* had been, during this period, and, I believe, is at this time, a suitor in the Court of Chancery, appealing by legal process to the equity of the High Courts of Westminster to bring the Company to a statement and settlement of their account current with him; this cannot be made the rule of future practice; its necessity must be superseded, for the practice under any modification cannot be decent; it arose from *European* management, sometimes to control the Company, sometimes to blind the people of *England*

to their rights and intereſt, and to turn public opinion in favour of ſervants eluding the Company's control, and even in favour of the Company eluding the rights of the Crown. The eyes of the public have at times been opened by particular acts of rapine and abuſe of power, which have been exaggerated or ſoftened by the political regulator of *European* politics or of *Britiſh* party.

The ſighs of oppreſſed *Ryuts* ſcarcely have acceſs to the Collector's ear, but the *Nabob* found direct acceſs to the *King*'s Miniſters, which fortunately attached reſponſibility more immediately upon them; Parliament, by the preſent act, has completed their reſponſibility by defining the objects and extent of the Miniſter's control; heretofore the fluctuation of ſyſtem, and the periodical changes of opinion, diverted the confidence of allies from the oſtenſible Miniſters to private agents, and if Parliament had not attached to the *King*'s Miniſters the degree of confidence and power which made it their intereſt to account frequently to Parliament, and to

explain the rule of connection to which the *King* of *Great Britain* shall be advised, so often as the occasion shall arise, the intrigues of deluded *Indian* Princes and their treasury would have been brought into action through the proprietors of *India* stock; the politics of *India* would have been regulated by party home-politics, and the interests of *Great Britain* have been managed by invisible *Indian* corruption: but so long as Parliament will enforce responsibility, and frequently examine the practical definition of its powers, *India* will remain an important and permanent resource to *Great Britain*.

CHAP. XIII.

On the commercial Necessity of a general Plan for British India.

IT cannot be doubted that the real interests of the Company and of *Great Britain* depend on the judicious exercise and con-

trol of the powers of the *Eaſt-India* act: the Company cannot diſprove that a ſyſtem of waſte and extravagance in the commercial department would conſume all the profits of commerce; or that the territorial revenue, which gives the advantages of increaſed capital, may be perverted into a power of making both the juſtice and police of the country ſubſervient to the miſmanagement of its commerce. I have explained * the general powers of the Board of Control to check the abuſe, and to direct the complicated intereſts of the Company and of the State: I ſhall ſtate a few circumſtances which induced me to inſert the opinions of Sir *James Steuart* †, on the practical means of realizing the revenue and commerce without ruining the country. Mr. *Ruſſel* informs us ‡, " It is pretty well known *now* with reſpect to the debts owing in *India*, that the greateſt part is due *to the natives*, which accounts for no more of it having been drawn home

* Introduction, page xlviii.

† Page 350.

‡ Short Hiſtory, p. 50. 2d edit.

upon the transfer plan. It is evidently wiſe and politic to leave a conſiderable debt among the natives at an annual intereſt:" if ſo, it becomes doubly important to guard the *India* debt, and to render it applicable to the relief of the country, and particularly to leſſen the artificial fluctuation which the realization of the revenues in coin occaſions. Advances for manufacture, and even for agriculture, are neceſſarily in ſilver; and the *Zemindar* collecting grain from the *Reyut*, muſt ſell the grain before he makes his payment: *Shroffage* ſeems inherent in the ſyſtem, and its fluctuations have proved the ſource of calamity to *European* as well as to native adventurers.

I peruſed the intereſting letter* by which Mr. *Law* ſuperſeded his obſervations on the neceſſity of emancipating the ſuperabandance of *Indian* produce from exorbitant freight, and I hope to be excuſed for inſerting, as a ſupplement to that letter, a paragraph in my poſſeſſion, by the ſame

* Sketch of late Arrangements, Introd. p. xxv.

author, from which, in addition to the parts which Mr. *Law* has publiſhed*, I had collected very ſatisfactory information of the degree and influence of the fluctuation of the value of money in *Bengal.* "I do not obſerve to you that money is only the ſign of wealth, or a meaſure whereby we compare the value of one commodity with another, conſequently its value ſhould be determinate, and not liable to fluctuation: how different is our ſituation here! In the month of November laſt, money could not be lent at more than 8 *per cent. per annum*; in the month of May it was not to be borrowed for leſs than 2 *per cent.* per month, at ſhort periods, or more than 24 *per cent. per annum*; ſo that its productive value roſe upwards of 200 *per cent.* in a month, a fluctuation that would not be credited in any other country: What is the conſequence of this? every commodity which money repreſents ſinks in the ſame proportion; the merchant, the tradeſman, the artificer, and the huſband-

* Sketch of late Arrangements, Introduction, to follow the fifth line of page xxx.

man, are either ruined, or, if able to ſtand the ſhock, are taxed in all the amount of the increaſed value, to add to the overgrown fortunes of uſurers and monied men, the drones of the country.

Government ſuffers in the ſame proportion, and ever muſt, while the preſent ſyſtem of finance exiſts; the remedy is obvious, and is of eaſy attainment; it cannot have eſcaped you that nothing more is neceſſary than for Government to give circulation to its own paper iſſues, by receiving back what it pays, this would at once add a ſum to the circulation of the place equal to the whole amount of certificates iſſued*; to which I might alſo add the bonds, for both would become ready money, bearing intereſt, the beſt circulating medium perhaps in the world. But the ſubject of finance, however much interwoven with commerce, I muſt, for many reaſons, avoid; I ſhall therefore briefly obſerve farther,

* December, 1791, the year in which this letter was written, they amounted to rupees 2,40,90817:10:7.

upon the baneful influence which high interest and quick changes in the value of money have on the trade of the country; that the late rise in the value of money, and depreciation of paper, withdrew from circulation, and of course from the capital of this country, a sum equal to all the Company's paper in issue, which, whilst at par, was nearly equal to money as a facile medium of exchange, but when at a discount, as we have lately seen of 18 *per cent.*, was a losing commodity, that the opulent locked up in their chests to wait for a favourable change, and the merchant, contractor, or servant, who had taken it from the Company as a money equivalent, pressed by their necessities, sold to the usurer as fast as possible, at any loss, to avoid a still greater, who of course withdrew it from circulation until he could sell it to advantage."

A bank, it has been before observed, was established in 1786 * at *Calcutta*; its capital did not exceed 22 lacks; its security

* Page 388.

and control not being defined by act of Parliament, became inadequate to its avowed purposes and to the aid of the industrious. The well-intended support of Lord *Cornwallis* to that institution was founded on an engagement of the bank to furnish a sum not exceeding 8 lacks, at 8 *per cent.*, weekly or monthly. The bank notes obtained circulation in the public offices and in the remittances of the revenue, which enabled them to collect the circulating specie, and whether it was exported by Government, or sent up to the higher provinces by the bank to be coined for its emolument, is immaterial, the specie was withdrawn from the seat of Government, in a degree seriously to affect both the merchant and the manufacturers. Specie lent to the favoured was at the rate of 12 *per cent.* for four months, under saleable securities, renewable three times in the year; and the orders of the Board of Revenue on the Collectors passing into circulation as the merchants remittances of their advances to the manufacturer, if ever they proved anticipations of revenue, unless realized by discount, they retarded the ad-

vances, on the early payment of which the whole of the merchant's ſucceſs and profits depended: theſe and other circumſtances counteracted the real utility of the bank, and terminated in its total failure.

It will be the ſubject of ſerious conſideration of Commiſſioners and Directors, under the preſent act, to aſcertain in what degree a bank is neceſſary, and under what regulation it may promote the intereſt of the country and of *Great Britain.* I have ſtated ſufficient to ſhew that neither the capital nor inſtitution of the late bank was adequate to the object propoſed by Sir *James Steuart* in 1772; the opinion of the public ſince that period has been attracted by different ſtatements, and the control of Government has been directed to connect ſyſtems abſolutely irreconcileable, becauſe they tend to favour different intereſts, and by different modifications to perpetuate defective principles. The preſent act has confirmed the excluſive trade of the Company in articles heretofore of cloſe monopoly; leaving therefore to others their own opinion, I ſhall give the reſult of my private

inquiries, both as to the object and extent of the Company's authorised preference, and hazard an opinion as to the best arrangement under the present act to collect the investment and maintain legalized monopoly.

Investment of Piece Goods.

In the first place, it is admitted universally, that without advances to the manufacturer no goods can be obtained; the money advanced to the weaver is in great part advanced by him to the spinner, who cannot obtain cotton without advancing to the farmer; what is retained by the different people is to ensure subsistence by cropping their land, or by purchasing rice; thus the advance for manufucture, in fact, influences the general prosperity of the country: when they are not made in time, the weaver cannot assort his thread, which he would wish to do by letters for warp and woof; and private merchants, *British* or foreigners, wait the Company's advances, lest the Company should seize from the

looms whatever goods they found, whether they were begun on the Company's advances or not, therefore if they ventured to make advances, they ſtrengthened themſelves on the privileges of foreign companies or on the privileges of *Engliſh* ſubjects; and theſe bickerings were often magnified by their tranſit to *Europe* into great national queſtions, or became ſubjects of declamation or of crimination. The various ſyſtems of management by which the inveſtment has been collected did not appear ſo defective in principle as in practice; too much depended on the individual ability and honeſty of the Company's agent. In the end of 1786, I was introduced to Mr. *Smith*, a gentleman who had managed a diſtrict of weavers according to his own way, and the haſty minutes of a converſation on that ſubject, he obligingly put on paper at the time, were literally as follows:

" The advances are made in ſpecie (nominal) of the diſtrict, in which there is always a loſs; this might be rectified by eſtabliſhing only one coin throughout the

provinces. At the period of advancing, the weavers were aſſembled at the *waſhing* or *head factory* of each diviſion, and *there* paid their advance, having at the ſame time delivered to them a paper, called *Hand-bill*, as their *account current*, in which they were debited for the ſum paid them, and which they acknowledged afterwards to the perſon keeping the *Engliſh* accounts, who checked off; they alſo at the ſame time acknowledged their *balance* of the former year, and if they had ſuffered any grievances, then ſtated them.* After this check they went home, and as they delivered their cloth, received a *depoſit receipt* from the *Gomaſtah* of the diviſion; when their cloth was valued at the waſhing factory, their account could be made up; frequently the cloths were returned, being too bad. Previous to the valuation of any cloth for the year, a meeting, by order, was held at the head factory of all the weavers, that is, each diviſion ſent two, three, or four, as they pleaſed, to repreſent them; they were generally two days adjuſting the price of the cotton thread, endeavouring to obtain as large an allow-

ance as they could, although they ought to have had the real and true price only; in this article they were always gainers conſiderably. The price of the thread adjuſted, the whole was completed, and the paper was drawn out ſtating particulars; thus the value of each piece was aſcertained, the weight, length, breadth, and number of threads conſtituting that breadth were ſet down, and the price of the cotton per *Seer*; to this was added the fixed price allowed for weaving each piece, and the true price of the beſt piece that could be made was ſettled. The weavers then endeavour to impoſe: I have known one ſixth, nay one fifth, of the number of threads deficient, conſequently the piece muſt be inferior; for the valuation I employed brokers, at an allowance per piece, and they valued in the preſence of all who choſe to attend; ſome weavers were always preſent; they made a proportionate value of A, B, C, D, &c. thus they could do their buſineſs with eaſe and expeditiouſly. I am clear, if the Company adopted this mode throughout their whole proviſion of inveſtment, that they would pro-

cure in general better goods and cheaper, after allowing their agent commiſſion of 5 *per cent.* in coſt and charges, and ½ *per cent.* for loſſes, as ſome muſt happen and balances acrue, the agent ſwearing he will not act otherwiſe than for the advantage of the Company, to the beſt of his ability. I apprehend the difference between the Company advancing themſelves through factors to the weavers on a 5 *per cent.* commiſſion, payable at the end of each year, would be a gain of 10 *per cent.* to them, becauſe contract includes charge, coſt, and profit; providing through agents, produces a larger quantity of goods from the weavers for the proportionate amount, and the charges are monthly only, the 10 *per cent.* profit is therefore an extra quantity of goods. The ſame fixed ſervants for the proviſion of 30,000 pieces of inveſtment can get up 5 lacks, the eſtimate therefore is thus: 5 lacks at 3 rupees coſt in a medium from the weaver, and 1 rupee charges for ſervants, repairs, profits, tranſportation, &c., is 4 rupees a piece, making 125,000 pieces in contract: now, I imagine that 60,000 rupees would do for all

expences, consequently 4,40,000 rupees advanced, produces at 3 rupees 1,40,000 pieces, or 21,000 pieces gain from this, at 4 rupees, 84,000; deduct 5½ *per cent.* commission on 5 lacks, 27,500, leaves 56,500, or 10 *per cent.*, profit. This calculation will hold through the whole investment, but not under a provision of 5 lacks in fine goods. The advances should be made regularly, and the expences paid monthly, to fixed servants; to others, as necessary for the best management, the profits on the defective goods sold by auction will return a great part of the expences at the end of each season: the expences might be 10,000 rupees more than the above estimate: this is only a rough estimate.

Originally the weigh, number of threads, length and breadth, and the price fixed for weaving, was the mode by which the whole investment and all the clothes were provided; it has latterly been much out of use, though in some places partly endeavoured tó be kept up. The management of the *Aurung* of which I had charge was as follows: The whole was divided

into ſeven parts, termed grand diviſions; theſe diviſions were again divided into others; at all theſe diviſions, about thirty-one was a *Gomaſtah*; thoſe at the grand diviſions were ſuperintendants of the others in their diviſion, and had the charge of bleaching and dreſſing the cloths of their diviſions, and of conveying them to the grand magazine, ſituated on the banks of the river, in order to their being tranſported to the Company's warehouſes when a ſufficient quantity was collected; each *grand diviſion Gomaſtah* had alſo under him a *Mohirir* and *Naib*, or clerk and aſſiſtant, to enable him to keep his accounts exact. The *Gomaſtahs* of his diviſion had only to collect into their *Cooties*, or factories, the cloths from the weavers, rough as they came from the loom, to mark thereon with charcoal the weaver's names, and to forward them to the *Gomaſtah* of the grand or waſhing diviſion, where they were valued, and the weaver's name and valuation recorded: the cloths were then delivered to the waſhermen to be bleached; there were *Tagadgeers*, hatkners, who went from houſe to houſe to inſpect the work,

and ſee it was getting forward. I effected a complete regiſter of the weavers under the whole *Aurung*, particularizing names, and the number of men and looms in each houſe; thus I could form an eſtimate what ſums were neceſſary to be advanced to each family; theſe advances ought to be made twice in the year, the firſt in or about January, and the other in or about July, the inveſtment would then be got up without difficulty, ſo as to come home in all February following.

After the advances had been made a reaſonable time, a month for inſtance, and few or no cloths brought in, and they were wanted, every *Gomaſtah* was written to, to notify to the weavers, that if they did not ſupply as they ought, *Mohuſſils* * would be placed on them; they generally took no notice of this, therefore *Mohuſſils* were ſent out. In my regiſter were about 6,000 families of weavers; about 50 or 60 *Mohuſſils*, twice in a year, being on each advance, was ſufficient to anſwer the purpoſe of

* *Mohuſſil* ſignifies arreſt.

getting in their cloths in general, becaufe *Mohuffils* being fent out, fpread through the *Aurung* in a few days, and the weavers brought in their cloths to prevent *Mohuffils* being placed over them, and thofe fent out were generally difmiffed by the *Gomaftah* in a day or two. There are good and bad in all bodies of men, and among thefe weavers it was fometimes neceffary to fend out *Mohuffils* to act as he ought, that is, not permit the weaver to do other bufinefs till he had finifhed his quota of cloth, fo that feverity was in fome inftances abfolutely neceffary. When I was firft appointed to my ftation, I difapproved of the *Gomaftahs*, as was, and had been, the cuftom, placing *Mohuffils* at their pleafure, and ordered that no *Gomaftah* fhould do it, on any pretence, in future; that they fhould addrefs me for orders, and if I faw it to be proper, I would place them. For this purpofe I had a feal cut large in the *Perfian* characters, the impreffion of which was made in ink on the *Mohuffil Chitty* *, and to which was alfo my fignature and

* *Chit*, or *Chitty*, is a letter in writing on paper.

date in *English:* the particulars were in *Bengalese*; weavers names, village, *Cootie*, pieces advanced for, pieces received, and balance; and then recited, "you are a perſon advanced to; make haſte, and deliver your goods according to your engagements." This was delivered to a *Peon*, who had his name ſet down at the back of it as *Mohuſſil*, and then entered in a book; when he arrived at the *Cootie*, the *Gomaſtah* could diſcharge the *Mohuſſil* on any ſufficient reaſon, and was then to endorſe at the back of the *Chit* the number of days that he had acted, for which the weaver paid him 7 *Puns* of *Cowrees* per day, (4 *Puns* are an *Anna*), and the *Chit* was then brought back to the head factory and put on a file in caſe of reference. Several weavers indebted in large ſums would abſcond, and when found out by my ſervants, and I had ſent *Peons* to apprehend them, have applied to the *Fougedarry*, complaining againſt *Gomaſtahs*, *Peons*, &c. and I generally could not in ſuch caſes effect their being brought to me, although my people, acting by my orders, had authority for what they did; I for what I did; and thus

the weaver complaining, fought the *Fougadarry* againſt the factory. By this ſort of buſineſs the *Aurung* was thrown into confuſion, every man being willing to keep what he had in advance, and it was impoſſible for me to do otherwiſe than complain, for the *Tannadars*, the force of the country, were ordered to protect theſe my debtors againſt me, by which I loſe ſome 8 or 9,000 rupees, as theſe diſputes were never ſettled wholly."

From the above information, I was enabled to conſider the pretenſions of the different competitors for the labour of the manufacturer, and to eſtimate the importance of good adminiſtration. If the Company will not, at all events, provide advances for the manufacture, at proper times, and to certain amount, the country, as well as *European* traders, will ſuffer. It is clear that if the power of arreſting a debtor is withheld, and the power to appoint *Moſuſſil* to ſecure advances is alſo forbidden, and an appeal to *Adaulets* and *Faugedarries* is made neceſſary in every caſe, the merchant would be ruined; to

give the power to every merchant is impossible; to give the power to certain classes of merchants would institute petty monopolies, which would become great monopolies. The Company, to the extent of its advances, becomes entitled to the preference, because it can apply the revenue in aid to commerce, and to the well-being of the natives. It is not of importance to estimate the proportion of the manufacture which past advances have covered, the irregular advances and demands of the Company enable very different statements to be made in different years; it cannot be disputed that manufactures can be pushed to any extent to which advances shall be made, for cloth as well as for other manufactures and produce; but it is equally obvious, that the occasional market, opened by an *American* or *Imperial* ship, cannot be the foundation on which even sugars can enrich *Bengal**; nor ought the agriculture to depend on *fortunate* contingency † of droughts on the

* Sketch of late Arrangements, p. 73.
† Ibid. p. 66.

Malabar coaſt; nor the ſalt diſtricts or *Sunderbunds* of *Bengal* be deſerted to extend the ſale of bay ſalt from the coaſt. It is known that competitions in the *Mofuſſil* are not ſo much with foreigners as with *Engliſh* under foreign names; theſe caſes may be all conſidered independantly of each other: a very ſimple addition to the regiſter of the Company's commercial agent might complete a diſtrict regiſter of all advances, and it would be to the advantage of foreigners and merchants often to ſupply themſelves from the Company's warehouſes, at a fixed per centage on the *Aurung* coſt and charges, in lieu of intereſt of money, loſs, &c. The only requiſite checks appear to be, an immediate control of the exports by the Supreme Board; an abſolute prohibition to the Comptroller and his deputy engaging *in any ſort of* inland trade; and a general prohibition to the indirect trade of the Company's revenue ſervants, and to the commercial agents' trade in thoſe articles which compoſe his proviſion for the Company, under pain of immediate diſmiſſion of the ſervice; to inſiſt on balances being paid in

no other way than by the articles contracted for; and to give weavers, not under advances, the option of their employer.

The delays of weavers are not always fraudulent, sometimes to ensure subsistence they will lend to the *Reyuts*: those who have not *Tuccavee*, or advances, must borrow of *Shroffs* or of manufacturers, and the manufacturers often receive 2½ *per cent.* per month if they can delay their contract. The composition of balances has proved in all periods and in all branches of management, the source of oppression and peculation; before the Company's administration, the *Rajah* of   was kept up to his chin in ordure to make him pay his balance; he held out till his *Vakeel* returned from *Delhi*, where, by a bribe of 19 lacks he avoided paying 45 lacks. Renters now employ agents to gain allowances, or to suffer punishment for delays; and instances have been stated to me of an agent having submitted to several floggings before he produced the required payment from his girdle of which his employer had feed him to sue the remission; none of

these abuses and horrors need exist under a simple system: to perpetuate unequal assessment and ignorance of internal management, is in fact to perpetuate peculation; and partial reforms are both ineffectual and oppressive. I may include what is farther necessary to be considered in an attempt to simplify the system in some observations on

MONOPOLY.

SALT, the first article so denominated, has always been the source of opulence to individuals or to Government; it is stated to have been a monopoly, better controlled for the benefit of the people by the *Mogul*, than by the *British* Government *; the *Zemindars* appear to have had the management of the *Mahals* in their districts, for on that title the Company began their claims, and resumed them on the principle of engrossing every stage of profit, even to affect the hereditary employment of salt

* *Bolt*, Vol. I. p. 174.

merchants in those districts *. The Government duties on salt, as I before remarked, were reserved by *Meer Jaffier*; but the will of the conqueror decided the amount. Mr. *Vansittart* had agreed with *Meer Cossim* to pay 9 *per cent.*; going down the river, he inquired of the boatmen, who informed him that they paid 25 *per cent.*, therefore he supposed all above 9 *per cent.* to be *Zemindary* imposition, and he applied to *Meer Cossim* to equalize the duty at 9 *per cent.*; Mr. *Hastings* alone concurred with him, and the majority settled the duty to be 2½ *per cent.* †. The importance and extent of the object cannot be well understood without a particular inquiry; and the salt monopoly being on all occasions inveighed against in a political and commercial view, it will be more conclusive to state what it really is, and insert an abstract which I made of Mr. *Grant*'s analysis of the revenues of *Bengal*, when I examined his communication on the salt re-

* Fourth Report Select Committee, 1772, p. 460.

† *Vansittart*, Vol. II. p. 399; 165, 193, 140.

venue, preſented to the Houſe of Commons in 1789 by Mr. *Dundas.*

" Mr. *Grant* obſerves, that *Sunderbund* by ſome perſons is derived from *Soondery*, a wood which abounds there; by others from *Soonder*, beautiful woods and jungle; but he derives it from *Chunder-bund*, or offspring of the Moon. The beſt and richeſt *Sunderbunds* are in the *Pergunanh*, *Chunder-deep*, or lunar territory, ſalt marſhes, for the moſt part overflowed by the ſea.

The diſtrict of ſalt lands in which the *Bengal* manufacture is carried on, for the ſake of diſtinction, he terms *Noondeep*; it borders on the ſea coaſt, in a curve, ſtretching acroſs the mouths of the *Ganges*, about 330 *Britiſh* miles from *Tellaſore Weſt*, on the frontiers of the *Chucklah* of *Midnapore* in *Oriſſa*, to *Iſlamabad*, the port and capital of *Chittagong*, near the ſouth-eaſt extremity of *Bengal*; it comprehends, incluſive of the *Sunderbunds*, an area of at leaſt 7000 ſquare miles, in continent or iſlands compriſed in the general dimenſions of the *Soubah*, and always of conſiderable

political importance as a ſtrong natural barrier againſt foreign invaſion; as yielding the neceſſary article of ſalt for home conſumption, it appears to have been the ſource of oppreſſion, whenever corrupt *Fougedars* and a few *Mogul* or other merchants poſſeſſed the whole trade; the country then ſupplied irregularly, and the larger body of natives employed in this, as in every other branch of commerce, merely as their brokers, *Shroffs*, or agent *Banians*, with indefinite commiſſions; they ſettled at their diſcretion the Sovereign's rights to the waſte, to the timber, and his allowances for maintenance of works and pay of *Molungees* and boilers, who are kept conſtantly in pay, and receive, beſides an allowance of at leaſt one rupee *per menſem* each while employed as uſual, in their ſix dry months occupation, a farther conſtant annual full ſubſiſtence, in free produce land, ſet apart for their maintenance, under the head of *Kharje Jumma* of *Chakran*, or ſervants, to be cultivated by themſelves; all theſe allowances became the benefit of individuals inſtead of the ſtate, though it is certain

that land so possessed, assisted by labour so purchased, is as much the civil right and saleable property of the Sovereign as the natural yearly growth of those lands termed *Khass* and *Comar*, occurring every where daily throughout the country, which, becoming for a time untenanted, are cultivated by hire or contract on the special account of the state. The virtue and political economy of *British* administration in *India* ought to be acknowledged at least in the instance of the resumption, with improvements of this hitherto misapplied source of public supply under the head of *Feroosh Nemuck*, or sales of manufactured or purified salt, at all periods charged with a duty on the country, but only realised in the Exchequer since the year 1780. The annual consumption of *Bengal*, estimated at 20 *Lacks* of *Maunds*, each of 80 pounds weight, is produced by the labour of 45,000 *Molungees*, who, with superiour agents, including all expences paid in money, were entitled to an allowance of 20 rupees, usually advanced by contracting merchants, besides what was deemed equivalent to 40 rupees more, furnished con-

ſtantly in land, was returned to the ſtate by the original ſtandard price of delivery at *Houghly*, firſt latterly at 60 rupees per 100 *Maunds*.

The benefit of the manufacture was afterwards enjoyed by a few *Mogul* monopoliſts, whoſe chief was denominated *Fakhur al Tejar*, moſt exalted of merchants, and the price enhanced in the different markets of the *Soubah*, on a medium to, at leaſt, 2 rupees the *Maund*; but ſince the annexation of *Bahar* to *Bengal*, the home conſumption has increaſed 8 lacks of *Maunds*; for, before that event, *Bahar* was, and the greater part of upper *Hindoſtan* is ſtill, ſupplied with ſalt from the lake of *Sambhur*, in *Ajmere*: at preſent not only *Bahar*, but ſome export of ſalt to *Aſham* and *Napaul*, and other neighbouring inland ſtates, has been opened, and may be extended.

The extra demand was at firſt imported from the coaſt of *Coromandel*, in what is called *Madras* or *Bay* ſalt, of baſer quality and value, being produced by the ſimple operation of the ſun on ſea water, intro-

duced into ſhallow pits, prepared near the ſhore, but on the eſtabliſhment of the private Society in 1765; and ſince again, on the inſtitution of the preſent public plan, it was found expedient to prohibit this branch of *Indian* coaſting trade; and now the whole quantity, in yearly demand being on a medium 28 lacks of *Maunds*, is manufactured in proportion of one third in the *Ceded*, and two thirds in the *Dewanny* lands of *Bengal*, for the uſe probably of *ten Millions* of ſouls there, and one fourth of that number in *Bahar*, impoſing only a moderate charge for one of the comforts of life, at the utmoſt calculation of ſix and a half *Annas*, or 13 *Pence* each individual per annum, allowing the groſs ſales, incluſive of all expences in ſicca rupees, fifty four lacks and one half.

Feroofh Nemuck, annual groſs ſales of 28 lacks of *Maunds*	*S. R.*
ſalt continued - - - - -	54,50,000

SERINJAMMY *Charges of Manufacture and Sales.*

1. *Dadney Molungian*, original complete advance of wages now paid in money to about 60,000 ſalt manufacturers of all denominations, engaged for the dry ſeaſon from November to May following, at the rate of about 40 rupees per 100 *Maunds*, being near 3 rupees each perſon per menſem for 6 months moderate labour - - - 11,20,000

2. *Akherajat Aurung*, expence of tranſportation to the place of ſale, weighmen, erection of ſtore houſes, purchaſe of utenſils requiſite for carrying on the works, &c., with all contingent charges, on an average - - - 450,000

3. *Ruſſoom*, or commiſſion of 10

per cent. to *European* ſuperintendants on the nett proceeds, ſuppoſed 38 lacks 380,000

——— 19,50,000

Total net annual ſales of ſalt, requiring always an advance for 18 months of 15 lacks of rupees to anſwer charges, before complete returns can be made to Government, which, ſince the year 1781, has reſumed its right to the net profits from the manufacture. The limited part, previouſly brought to public credit, was under 3 heads, which have been continued, being adequate to the purpoſes of account and of check of agency, to be deducted from the whole clear produce, amounting to - - 35,00,000

MIRIHA.

TEHSIL SOUBAHDARRY. *Collection of Revenue to the Year* 1170, *or* 1763.

1. *Hassil Kablarry*, making part of the *Bundobust Teskhees* of *Meer Cossim*, including the *Tomarry* or original ground rent of all the salt lands 2,25,000

2. *Mhasool Sair*, duty on all the salt, imported, manufactured, and consumed in *Bengal* and *Bahar*, &c., reckoned at 28 lacks of *Maunds*, at 2½ per hundred *Maunds* 70,000

3. *Keffyet*, or usual profit of the *Circar* on the delivery of 8½ lacks of *Maunds*, made in the district of *Hyclee*, and credited in the *Jumma* at the standard valuation of *Hoogh-ly*, after deducting a lack of

rupees as the proportion of ground rent received as above 2,50,000

Total revenue of ſalt, accounted with the ſtate to 1170 or 1763 Rupees 5,45,000

TEHSIL DEWANNY. *Additional Collections from* 1172 to 1178, *or* 1765 *to* 1772, *incluſive.*

1. 2. *Haſſil Nemuck*, as eſtabliſhed at the end of *Mahomet Reza Khan*'s adminiſtration in 1771-2, being farther *Kahlarry* and *Rowanny* duties as already ſtated, excluſive of the *Mhaſool*, 2 and ½ *per cent.* 12,95,000

Total net rated collections, made on account of ſalt, to 1187 B, or A. D. 1780, though perhaps never fully realiſed before the excellent ſimplified inſtitution of that year - - - - - - - - 18,40,000

3. *Baky Keffyet*, balance of profit arifing on the moderate original felling price of falt, before appropriated to partial benefit of individuals, but now, with great propriety and juftice, refumed and incorporated with the public revenue. Sicca rupees 16,60,000

By the diftinct heads of native accounts, the monopoly of *Cojaah Wazeed*, protected by a duty of between 40 and 50 *per cent.* on imported or foreign falt *, under the *Mogul* Government, may be inveftigated; and Britifh monopoly or revenue may be both inveftigated and controlled; but the *Britifh* accounts having confounded ground rent, manufacture, and trade, the general balance of profit or lofs has been afcertained by oppofing grofs receipts to grofs difburfements; and the refult will thereby appear as follows: for the firft two or three years, after the acquifition of the *De-*

* Extract from the Report of the *Nazim*, in 1776, on Salt.

wannee the profits of ſalt revenue were about 130,000l; in 1775-6 the charges exceeded the receipts 1500l; and ſubſequent to the reſumption of the rights of the ſtate in 1780 the profits have exceeded 600,000l.

The political and commercial objections to the preſent ſalt monopoly need not lead us to the controverſies of Mr. *Haſtings* and Mr. *Francis* previous to 1780. Mr. *Haſtings** admitted, that the changes in departments had given great advantages to the artifices of individuals; that the intricacy of accounts, by ſucceſſive transfer of ſalt from Collectors to the Preſident and Council, from them to the Governor and Council, and from them to the Commercial Board, had occaſioned much perplexity; that the defective ſyſtem of ſales had occaſioned great loſſes, and that the import of coaſt ſalt had thereby ariſen to great extent; that the meaſure of the Commercial Board to check the import of ſalt, by glutting the market with the ſale of 3 years produce

* Ninth Report, Select Committee, 1783, Appendix 91. Mr. *Haſtings*'s Minute, 19 Sep. 1780.

at one time, equally affected the import and the manufacture; and when he proposed the reform in 1780, the *Calcutta* Committee could not let the salt *Mahals* at any rate.

It is evident that the advances or outlay for the manufacture is beyond the scale of private adventure, and the supply of so necessary an article ought not to depend on chance; when the consumption of a country can be estimated, it is obvious that a provident Government will provide an excess, to be able at all times, to distribute the salt at easy prices to the inland districts. The checks seem obvious;—if Government, to save advances and charges, manfactures less salt than the estimated demand of the country, and sells the reduced quantity at an advanced price, it realises the revenue, but defrauds the country; the quantum of the extortion will appear on the face of the accounts: if the proper quantity is manufactured and averaged through the country, the temptation to distress the frontier districts, by exporting inland the salt intended for home consumption, can be checked by judicious distribu-

tion, and the export ſhould be under the control and on the account of Government, not raſhly to be extended. In no political view can it be policy to abandon the internal conſumption of *Bengal* to a precarious ſupply ; and we muſt remember merchants have leſs intereſt in the ſupply of the country than the Company, and will not be content with leſs profit. If ſalt ſhall be raiſed to 4 or 5 rupees *per Maund*, it muſt be from ignorant or corrupt miſmanagement, and is eaſily corrected; but the extortion of merchants is not eaſily diſtinguiſhed from natural ſcarcity by an improvident or ignorant Government, and cannot be controlled without much inveſtigation and judgement, even when inquiry is inſtituted with integrity and humanity.

As to the other articles of monopoly, *Saltpetre* and *Opium*, they ſtand on very different grounds: their produce do not materially affect the country or the revenue, and notwithſtanding it may be true that the diſtrict of *Patna* furniſhes *three* fourths, and *Purneah* and *Oude* the remaining fourth part of the ſaltpetre collected for the Com-

pany, it is not to be thought that it might not be obtained in other parts of the country; and it muſt be conſidered a monopoly in the hands of the Company as a commercial body, and ſhould be maintained at the charge of the Company, by which I mean, that the territorial revenue need not neceſſarily make advances for this ſpecies of produce from the ſoil, but merely to pay tenants after fulfilling their engagements according to contract: thus the advances of Government ſhould be limited to the manufacture of cloth, ſalt, and produce of grain; all other articles ought not, and are not taken in kind, but when cultivated, the aſſeſſed rent in coin ſhould be ſubſtituted to the legal and cuſtomary tender of the portion of produce.

Saltpetre neceſſarily will be always an article of importance to the Company, both for the ſupply of the *Indian* eſtabliſhment, and for its import to *Europe*. The regular repleniſhing of Government ſtores, by the Company, may be made in itſelf profitable, and the ſuperabundance may be

ſold to profit: as a commercial concern, the above conſtant demand will be a ſufficient encouragement, without the aid of rigorous excluſion of competition in the inland market. The compariſon of *German* and *Engliſh* powder ſhews the difference of a ſupply by contract, partly paid in damaged powder, or by manufacture in the laboratories of arſenals, where the purity of the ingredients cannot be evaded. The regular ſupply does not require monopoly: the natives could ſupply any quantity on timely notice; but this article, from its nature, ſhould remain more than others under the control of the Government; and in this view the right to monopoly, founded on uſage, ought to be exerciſed according to circumſtances.

As to *Opium*, unleſs not only the whole produce of the article in *Bengal*, and alſo all the produce of *Oude*, is ſubjected to the Company's monopoly, the *Vizier*'s *Opium* will open evaſions; and therefore it appears better to give up a monopoly which ſanctions improper interference in the cultivation of the country, than to extend its influence.

The Commiſſioners authoriſed by parliament, will not overlook this obvious conſideration: they will alſo trace the degree of its importance as an article of export from *Bengal*, and of import in the markets to which it is ſent. I only endeavour to demonſtrate the neceſſity of accurate inveſtigation, and am ſatisfied that my inquiries authoriſe this concluſion; that every article of management may be reduced to very ſimple and practicable rule, but that the inequality of offices, and inequalities of aſſeſſments unneceſſarily maintained, are the ſources of corruption and abuſe. I have endeavoured to trace principles, and to ſhew their conſequences when reduced to practice; it will be neceſſary therefore to remember, that I am ſatisfied that the collector of revenues, whether *Zemindar* or covenanted ſervant, in the *Britiſh* as well as *Mogul* ſyſtem, ought to be paid by a per centage; that collections ſhould be as regularly divided, in extent of income and in trouble, as poſſible; and that the arrangement of collections need not confuſe the rights nor tenure of any *Pottah-holder*, or *Reyut*: that the agents ſuperintending the

manufacture of cloth or salt, might also be handsomely paid by a per centage, but that the quantum of the per centage, whether equal in all, or varied in the different branches of revenue as at present, must be the result of deliberate consideration, as must also the distribution of inspection of superiour Boards. I conceive that a landed revenue Board might control all the collections of territorial revenue, and the commercial branches, in which advances are necessary; for where manufactures can be best promoted, an investment agent might be appointed: where salt is the manufacture, a salt agent might be appointed; and where there is no manufacture, advances to the *Reyut* must be made by the *Zemindar*, or the collector. The consignment of goods and the trade, both import and export, might become a simplified system, under the head of foreign import and export; for no inland trade, according to such plan, would be subjected to Government taxes, except salt and grain; the one operating as an excise by the sale of salt, and the other as a provident regulation to avert famine and encourage agriculture, by the

management of public granaries, and the regulation of *Bazars*, on certain report of the circumſtances of the country, and recorded evidence of the ſupply of grain in every diſtrict. It is no wonder Government has been puzzled, and that orators have not found limits to their imagery.— Merchants, who are oppreſſed with vexatious reſtrictions in the branches of trade which are left to them, are not unlikely to exaggerate; but commiſſioners under the preſent act and directors, muſt inveſtigate and diſcriminate real from artificial grievance, and draw the line of policy and juſtice: by ſome repreſentations it might be ſuppoſed, that the prohibition of import of coaſt ſalt, was a prohibition of the rice trade. A zealous advocate for the encouragement of agriculture in *Bengal*, admits that under the diſcouragement of the export of grain freighted in veſſels which return empty from the coaſt, the corn trade has produced, one year with another, 20 *per cent* profit *. We have known the extent to which the *Bengal* provinces af-

* *Agricola's* Letter 5, p. 27.

forded rice to the coaſt in 1782; and I have heard that the price of rice roſe in 1783 on an embargo being laid on its exportation. The danger of letting in *European* ſpeculation uncontrolled into inland trade, may be evidenced by the conſequences of the partial inundation in 1787 in *Bengal*; rice was then advanced 10 *per cent.* higher in price than it had been during the real famine of 1771. If Government is either ignorant or corrupt, the people are equally expoſed to fictitious and to real ſcarcity.

Having brought to view the neceſſary connection of financial and commercial intereſts of *Britiſh India*, I muſt not omit to ſtate, that a ſubſerviency of the intereſts of commerce to the political limits of the Company's ſettlement at *Calcutta*, ſelf-erected into an independent kingdom, formed part of the phantom which vaniſhed when the veil was drawn from *Indian* politics. The artificial denomination of import and export to and from *Calcutta* by ſhipping, and the import and export by boats to and from *Calcutta* inland, to engroſs, according to circumſtances, all the

exactions of which *European* and *Mogul* practice could afford a precedent, proved unprofitable to the Company, and cannot be maintained in any degree under the present act. I have inserted the revenue regulations of *Tippoo Sultaun* to guide our view of a native government, from my conviction, that if a *despot* finds the necessity of reducing his government to definite rule, a *British* Parliament will not be satisfied with emulating his justice, but will also avert his oppression. The coasting trade of *British India* might be extended to considerable importance; it was but the other day that *Tillicherry* was to be abandoned; and our present more-extended prospects of benefit from the *Malabar* coast did not arise from the commercial views of Directors or Government, but from the honourable principle of Lord *Cornwallis*, who would not desert the *Corgee Rajah*. And notwithstanding *Curwar* and *Mangalore* remain to *Tippoo*, and we have not a port south of *Bombay*, a provident use of the coast south of *Mount Delhi* will amply repay the protection of the whole *Malabar* coast. *Baliapatnam* was

the emporium for the rare produce of *Corgee*, and the ſouthern branches of its river penetrate through the *Cherickel* country into *Cotiete*, therefore *Baliapatnam*, or the *Great City*, might again acquire more than nominal greatneſs, and the produce of the country, now carried over land to *Tillicherry*, might, with many other articles, be conveyed by water. On the ſame principle of local convenience, *Beypour* has the advantage of *Calicut*; and formerly the *Zamorins'* dominions ſupplied the dock yard at *Bombay* with the beſt timber for building and maſts. Among the favourable proſpects of commercial ſpeculation opened to *Britiſh India* may be reckoned the decay of *Tippoo's* commerce, who poſſibly was adviſed to imitate the Company's late fluctuating policy and monopoly. It has been obſerved by a gentleman well informed, that *Tippoo*, by his extortion, has loſt half of the revenue from commerce which his father received; for *Hyder Ally* concurred in *Tippoo's* political opinion of the propriety of checking *European* trade, to throw the ſpecie into the hands of the *Muſcat* merchants; and he loaded the com-

merce with heavy duties, which produced a confiderable income; but fince 1782 the commerce has been totally funk, and with it *Tippoo* has loft his duties. If the policy of *Hyder Ally* had operated on the coaft fouth of *Mount Delhi*, he probably would have monopolized the *Pepper* and *Cardamums*, and left the other articles open to all traders paying heavy duties. Under *Tippoo*'s policy, his father's monopoly would be maintained at the fmalleft expence, by lowering the falaries of the managers at the ports of export, and their neceffities would oblige them to participate in the abufes which their duty directed them to check; and if they realifed the limited monopoly on behalf of *Tippoo*, they would monopolize all the other articles on their own account in the name of native merchants, at firft by arbitrary duties on the trade of others, balancing their official accounts, and exempting their own concerns from duty, till the whole trade would abfolutely veft in their hands, and the trade becoming unprofitable to the importer, would be abandoned; and when no part of the open trade remained, the Govern-

ment monopoly would be perverted to the benefit of the officers, and probably, by fimilar connivance with natives or foreigners, fcarcely fufficient profit would be fpared to the fovereign to enable him to defray the miferable ftipends of the eftablifhment. Thefe confequences might be inftanced in the Company's former fyftem; but the prefent act, properly exercifed, cuts up the fource of this evil; the participation of profits cannot be maintained without grofs perjury, from the Directors downwards, and the penalty and conviction is fimplified; there is, however, only one plain and honeft way of managing this department, which will apply to all others: give a falary adequate to the truft to the officers neceffarily eftablifhed; fubject all articles of import or export to equal privilege or to equal duty in all the *Britifh* ports of *India*; the duty on goods imported by the Company fhould be brought to account with vouchers, as well as private adventure; an Infpector General of imports and exports fhould annually make up the general account of all the fettlements to be fent home by the Governor General.

The Company's commerce would not be more burthened than it is at preſent, but the accounts would check fraud, and regiſter the actual ſtate of the commerce. But to ſuppoſe that a country can proſper under monopoly of all its produce, or that officers will give up the prime of life without the hopes of earning a reaſonable income for their latter days, cannot enter into the contemplation of Commiſſioners, or of Parliament, conſequently the whole of the commercial eſtabliſhments muſt be carefully, but liberally conſidered, and connected with the general ſyſtem: it will be difficult for theoriſts to ſubſtitute powers more adequate to this purpoſe than thoſe which have obtained parliamentary ſanction, if exerciſed with intelligence and probity.

CHAP. XIV.

On the Benefit of Parliamentary Control.

AFTER Lord *Clive* had ſtated the neceſſity of control to preſerve the principles of Government in *India*, endangered by licentiouſneſs, extortion, venality, and by whatever *eludes*, though it may not totally ſubvert, the laws *, the Company thought it neceſſary to adopt very arbitrary rules, which they promulgated in general orders † to narrow the appeal of covenanted ſervants to juſtice, denouncing immediate diſmiſſion from their ſervice to every ſervant who ſhould go to *Europe* to inſtitute a ſuit, or ſeek redreſs for grievances: and had the covenanted ſervants, according to theſe orders, remitted their complaints, perhaps through the very perſon complained of, no rule or period was limited for their expectation of the determination of the Directors. In 1785 the Directors

* Vide page 310. † In 1771 and 1778.

not only informed the governments in *India* that if " copies of any papers, correſpondance or records, ſhall be diſcovered with any perſons not warranted to have them, at home or abroad, we ſhall take meaſures to diſcover by what means the communications have been made, and diſmiſs from our ſervice thoſe who ſhall have made ſuch communication," but alſo denounced " the ſevereſt tokens of diſpleaſure to thoſe who diſobeyed their order to diſcontinue unreſerved correſpondance with private perſons on public affairs."

Parliamentary inveſtigation demonſtrated that the act of 1784 could not be inveloped and executed in myſtery; the records of the Company were opened to committees, and their contents made the ſubject of parliamentary debate. Mr. *Macpherſon*'s recorded opinion was quoted * by Mr. *Francis*. " I ſhould be particularly happy to ſee the Committee in a capacity to execute theſe important duties, independant of that general agency and improper

* Parliamentary Debates, vol. 39, p. 108.

authority of a native *Dewan*, or, in plain *English*, native Chancellor of the Exchequer." The opinion on which this expectation was founded was referred to in the House, soon after its arrival in *Europe*, by a Member of the Board of Control*, and those who got access to Mr. *Grant*'s analysis of the revenues of *Bengal* were encouraged to proceed, by being informed in the first page, that evidence of the mismanagement of natives had been kept back, and the stale excuse of the troubles of *Cossim Alli* had *till then* been accepted as an apology for withholding vouchers; and that "the act of 1784 may be considered truely as the *great charter of rights*, if not to the whole body of national representatives in *Asia*, at least to all *East-India* subjects of *Great Britain*, who enjoy the inestimable advantage of living under a delegated sway, thus tempered for the first time in *Hindostan*, with the mildest influence of practical enlarged distributive justice."

* Lord *Frederick Campbell*. Parliamentary Debates.

"The law as yet seems only declaratory as to the necessary responsible agents between the *Prince* and the *peasant* for managing *Zemindary* or landed interests of the state, restoring right and jurisdiction in all their plenitude according to the constitution of *India*; every hint to ascertain the nature and mode of management, former and actual amount of the established revenue of the *Soubah* of *Bengal*, will be connected with the honour of the *British* nation."

Dr. *Robertson*, in 1791, had observed, in his note * concerning the tenure by which the *Reyuts* of *Hindostan* hold their possessions, "although it be a point extremely interesting, as the future system of *British* finance in *India* appears to hinge in an essential degree upon it, persons well acquainted with the state of *India* have not been able thoroughly to make up their minds upon this subject †." "Though

* Historical Disquisition concerning *India*, p. 346.

† *Kirkpatrick*'s Introduction to the Instit. of *Ghazan Khan*.

the opinion of the Committee of Revenue, composed of persons eminent for their abilities, leans to a conclusion against the hereditary right of the *Zemindars* in the soil, yet the Supreme Council, in 1786, declined, for good reasons, to give any decisive judgement on a subject of such magnitude. This note was sent to the press before I had it in my power to peruse Mr. *Rouse*'s ingenious and instructive dissertation concerning the landed property of *Bengal*; in it he adopts an opinion contrary to that of Mr. *Grant*, and maintains, with that candor and liberality of sentiment which are always conspicuous where there is no other object than the discovery of truth, that the *Zemindars* possess their landed property by hereditary right." In the former part of this note *, that learned and much-lamented historiographer to His Majesty had stated, " that the Monarchs of *India* were the sole proprietors of land, is asserted in most explicit terms by the ancients: the people (say they) pay a land tax to their Kings because the kingdom is

* Historical Disquisition, p. 344.

regal property *. This was not pecular to *India*; in all the great monarchies of the *East* the ſole property of land ſeems to be veſted in the Sovereign as lord paramount." After being apprized of the publication by the Secretary of the Board of Control, he waves giving an opinion: " Did I poſſeſs ſuch knowledge, either of the ſtate of *India* or of the ſyſtem of adminiſtration eſtabliſhed there, as would be requiſite for comparing theſe different theories, and determining which of them merits the preference, the ſubject of my reſearches does not render it neceſſary to enter into ſuch a diſquiſition."

The ſupplemental information on which Dr. *Robertſon*'s opinion, waved in oppoſition to his own reſearches, have been demonſtrated in the preceding pages to be unfounded; and it does not appear that he was correctly informed of the judgement formed in 1786. He might even have had acceſs to the Directors' letter of the 12th

* *Strabo*, lib. xv, p. 1030. *Diodorus Siculus*, lib. ii, p. 153.

April, 1786, to the Governor General and Council, without being relieved from his perplexity, for it might be read by Sir *John Macpherson*, the Governor, to whom it was addreſſed, as a complete explicit approbation of the retrenchments ſtated in the *Bengal* inſpection letters, 25th March and 31ſt July, 1785, and of the ſyſtem in the revenue letter, 1ſt Auguſt, 1785, as an acknowledgement of his zeal and activity, and an aſſurance of a co-operative ſupport to Sir *John Macpherſon*, both from the Directors and from the ſuperior adminiſtration, in the moſt liberal and uſeful extent, which he had ſolicited in his letter of the 25th March: it alſo expreſsly ſtates that the Committee of Revenue had done properly in ſtating queries before they proceeded to ſettlement of B. year 1192, or 1785, entered in the revenue conſultations, 6th June; and that the Directors had entire ſatisfaction in Sir *John Macpherſon*'s conſtruction of the ſtatute of 1784.

Thoſe who know the different ſyſtems or opinions, and read in the *ſame* letter that the ultimate determination of the Di-

rectors were confirmed by Mr. *Shore*, " whose judicious reflections had been perused with much attention," and that Mr. *Francis*'s opinion, in January 1776, is referred to in confirmation of it, will not be surprised that the same letter should follow up the approbation, with doubts of the propriety of Sir *John Macpherson*'s instruction to the Committee of Revenue to encourage *Zemindars* to pay their revenue immediately to the *Khalsha*, and to reject, as nugatory, both Sir *John Macpherson*'s plans to avoid balances; the one in October, 1783, to appoint a department to collect balances only; the other in 1787, not to remit balances without the express order of the Directors, but to accept the security of the *Zemindary*, and legal interest on the amount of the arrears; the latter judicious measure, to cut off the traffic of remission or fraudulent balances, in the letter of 12th April, is called, " charging *Zemindars* in arrear with an additional assessment of 12 or 13 *per cent.:*" and when the letter is found finally to conclude with laying down the Directors' principles and rules of construction of the act of 1784, and the

ſteps neceſſary to precede the execution of the ſyſtem reſulting from their reſearches, though entruſted oſtenſibly to Sir *John Macpherſon*'s integrity and zeal, ſeem in fact intended, as they proved to be, the inſtruction to his ſucceſſor, and to anticipate a ſanction to the ſyſtem which Sir *John Shore* executed immediately after the arrival of the Marquis *Cornwallis* in *India.* Theſe obſervations I mean to apply to the neceſſity of correct inveſtigation as the baſis of comprehenſive control, for the purpoſe of ſubſtantial juſtice to the individual, or to the public; the intereſt of an individual in a high ſtation was here involved; but it is unneceſſary for me to complicate the preſent inveſtigation with the intereſts of individuals. Sir *John Macpherſon* had ſucceeded to the government under the proviſion of an exiſting act of Parliament; and about the date of the above-mentioned letter, a friend of Sir *John Macpherſon*'s, then in Parliament, who had no claim to miniſterial confidence, ſtated his conſtruction of the act, and inquired whether Sir *John Macpherſon* was to be ſuperſeded from motives of expediency

or of diſapprobation. Mr. *Dundas*, in my hearing, told the member, that though he had a good opinion of Sir *John Macpherſon*, and he had recommended him to a mark of his Majeſty's favour, he thought it his duty to endeavour to ſend to *India* a perſon whom it would be no diſgrace to Sir *John Macpherſon* to make way for. An opinion ſo given was no ſtate ſecret: whence it follows that there was leſs management or concealment in the Preſident of the Board of Control, than in the correſpondence of the Directors. Sir *John Macpherſon* was created a Baronet, June 10, 1786. Lord *Cornwallis* was appointed Governor General, and the defects in his appointment were legalized by a ſpecial act of Parliament: the defects in Sir *John Macpherſon*'s removal from his Government were not legalized, poſſibly from the conſideration, that the ſacrifice of the ſituation of an individual, to the public, might ſafely be left to the generoſity of the Company and of the Board of Control, who had not, on ſuch occaſions, been deficient in juſtice or in liberality. Confining myſelf, therefore, to the public conſideration, as

connected with parliamentary control, I look to the Directors' Letter of April 1786, for their construction of the act of 1784.

They " apprehend the design of the Legislature was merely to declare general principles for the regulation of their conduct towards natives, not to introduce a *novel* system ;" and that the 39th section of the act required an inquiry " into the causes and foundations of the complaints, and to send orders to redress the same, consistent with justice and the customs of the country." I am enabled to trace with what comment this construction was adopted in *Bengal* by Sir *John Shore.*

Mr. *Law* observes " how lately the *Zemindars* were *publicly adjudged* devoid of property in the soil*." " In limiting the land tax, the *British* nation voluntarily has granted a *novel* tenure to a class of subjects who had only a fallacious title to *Usufruct*, while the *quantum* depended upon the des-

* Sketch of late Arrangements, p. 115.

pots confcience *, (for laws between emperor and fubject are ideal)." "Laws and conftitutions of *India* is a general expreffion. It cannot be fuppofed that the *Britifh* adminiftration had then any determinate rule in view; permanancy was the object, and a definite fyftem †." "My opinion is, that the *Zemindar* is indifputable proprietor of the foil, and the *Reyut* but a *Vaffal* or *peafant*, who becomes a part of his neceffary property ‡." The *Pottahs* of my plan are for one year, confirmable in perpetuity if approved from *Great Britain*. The political ends and pecuniary advantages I have already enumerated; the queftion appears to me rather what fyftem fhould be adopted, than what has exifted §." "In granting *Mocurrerees*, Government confers a *novel* poffeffion ||." And *Sir John Shore* obferved, "that the plan propofes nothing fpecific for the fecurity of the *Reyuts*; but, confidering the impofitions to which they have been fubject, will not

* Sketch of late Arrangements, p. 155.
† Ibid. p. 131. ‡ Ibid. p. 51. § Ibid. p. 133.
|| Ibid. p. 116.

ſome be neceſſary in the commencement? The operation of the principle in time will, I doubt not, be a ſufficient ſecurity, and perhaps the plan relies upon this" *. Mr. *Law*, to offer ſome analogy to the native *Pottahs*, quotes the origin of copyholds— "the common law, of which *cuſtom* is the life"†. And Sir *John Shore* appears ſatisfied, that the *New Dewanne* "courts, by a limitation to ten or more years, will gradually decide all inferior rights, and their decrees fix ultimately every tenure" ‡.

It forms no part of my review to inveſtigate how far deviation of individuals from their duty, has eluded control, ſince the year 1784. It can be no reflexion on Government, if particular inſtances of private peculation or breach of duty, ſhall be traced in individuals; for to ſuppoſe, that none have exiſted, is to ſuppoſe all mankind honeſt; but the integrity of the Governor General is above ſuſpicion, and where the ſource is pure, the different branches to

* Sketch of late Arrangements, p. 101.

† *Blackſtone.*

‡ Sketch of late Arrangements, p. 100.

which it extends progreſſively, muſt partake of its purity; and for the credit of the Company's ſervice, the moſt rigid inveſtigation of the worſt periods proves, that the abuſes in *India* have not ariſen from a general depravity or diſhonour of the Company's *Britiſh* covenanted Servants, but from the abuſe of power and peculation in ſome of the higher departments: and this ſecurity will always remain to the natives of *Britiſh India*, that young men of good birth and education, will carry out good principles, and until, encouraged in extravagance, they give themſelves up to a native *Banyan*, avowedly to participate of an abuſe of power without conſidering the objects of rapacity, from common *Britiſh* ſentiment they will abſtain from the miſerable gleanings and ſhabby plunder of an oppreſſed tenantry: but when bad ſyſtem ſhall have pampered up a *Nabob* or a *Zemindar* beyond his moſt extravagant pretenſions, the magnitude of the prize will baffle every check to diſunite *Aſiatic* rapine from *Britiſh* ſyſtem.

The compariſon which I have made,

probably did not escape Mr. *Dundas*'s observation, and, if I may guess, not having the opportunity to know his private sentiments, it tended to induce him to discover the basis of his opinion and system more fully than his duty to the public and official documents, connected with his annual report to Parliament, required. The volume, published this year by his permission, is evidence of the ministerial investigations of the Board, and of the difficulty of digesting voluminous official documents, or of connecting parliamentary reports and private information. If I have been encouraged by its perusal to overrate my own opinion, I certainly should not have brought it forward to the public eye, if Mr. *Dundas* had not overrated the prosperity of the natives of *British India*, and, by the preceding extracts from his speech*, he had not stated to Parliament his belief, that no extraordinary *necessity* now existed of protecting the mass of native subjects in *British India* from oppression. What farther shall be stated in illustration of the benefit of parliamen-

* Introduction, page xxi.

tary control, will be limited to the investigation and correction of the error which I remarked* to have been adopted by Mr. *Dundas*; but fortunately nothing in the present act appears to establish or confirm it. The cursory observations which I made in the introductory pages, were such as occurred after perusing Mr. *Dundas's* speech, and the third chapter of a Short History of the *East-India* Company †; they were printed before I saw the supplemental or 15th chapter, in the second edition ‡, to which the initials of Mr. *Russell's* name are inserted. "The question as between the *Crown* and the *East-India* Company, in respect to the *property* of the town, port, and district of *Masulepatam*; and also in respect to the *Northern Circars*, on the *coast of Coromandel*, stated and discussed," by a gentleman so respectable, and his argument and calculation adopted by Mr. *Dundas* in

* Introduction, page xxxix.

† Short History of the *East-India* Company, *by an East-Indian Proprietor*, Feb. 1793.

‡ Short History, &c. 2d edit. *F. R.* 1793. *Francis Russell*, Esq. Solicitor to the Board of Control.

Parliament, ceafed to be of little magnitude; and having exceeded the limits I had originally given to my inveftigation, I am induced to make fome reference to the hiftory of thofe treaties which are now fo pathetically recommended to the faith of *Great Britain*, and fo nearly connected with the profperity of the natives of *Britifh India* *.

It is not for the purpofe of invalidating the principle or practice of humanity and honour, that I bring forward thefe fubjects. In the plans for *Britifh India*, we have a certain evidence, that Mr. *Lind*, diftinguifhed by his Letters on *Poland*, with the circumftances of which country he was converfant, having educated the *King* of *Poland*'s nephew, when he was engaged by Lord *North* to unravel the principle by which *India* could be connected with *Great Britain*, was obliged to confefs, that the oppofite ftatements and difputes, which divided the various parties in *England* and *India*, were irreconcilable. Mr. *Bruce*, felected

* Introduction, page XXXII. and Plans for India.

for his ability and character to the most confidential trusts by Mr. *Dundas*, having been engaged to prosecute the same research, has shewn much ability in selecting, out of the chaos of records, an appearance of system; but the circumstances of the natives, and of the *English*, at the periods under consideration, do not justify the conclusions, and the ethical arrangements in which he appears to be authorised by official records. To substitute a perfect system would require more ability than I am possessed of; and the information relative to *British India*, as yet, is not sufficiently distinct to assume the form of a perfect system. This object can only be attained by ascertaining the real circumstances of *Great Britain* and of *British India*; deductions arising from past experience, at any rate, will prove safer guides than speculative statements and speculative opinions, particularly when a neglect of known principles is required, previous to the admission of the new theories.

In the first place, therefore, I shall examine how far humanity and honour can

be applied to *Britiſh India* from precedent, which will connect what is neceſſary to adduce in oppoſition to Mr. *Bruce* and to Mr. *Ruſſell* on this point. I ſhall be led to a more diffuſe and general review, by the obſervations which ariſe from contemplating the extent of Mr. *Ruſſell*'s aſſertions. I ſhould have looked on this ſubject with great delicacy, if this gentleman's opinion, from his public ſituation and communications, had not, in many reſpects, deſervedly great weight in the public eſtimation; and if there did not appear a conſiderable degree of ſyſtematic pertinacity in keeping afloat a queſtion pregnant with miſchief to the natives, derogatory to the rights of the ſtate, and, in my opinion, not founded on a review of the proceedings of Parliament, or of treaties and grants, by which, *de jure & facto*, the rights of the Crown ſtand paramount to the privileges of the Company.